

Bureau of Real Estate
320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105
Telephone: (213) 576-6982

FILED

OCT 13 2016

BUREAU OF REAL ESTATE

By Sydney Carter

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of	)	No. H-40113 LA
	)	
SKY PROPERTIES, INC.; and	)	
	)	
KARI ALLETA NEGRI, individually and as	)	<u>STIPULATION</u>
designated officer of Sky Properties, Inc.,	)	<u>AND</u>
	)	<u>AGREEMENT</u>
Respondents.	)	

It is hereby stipulated by and between Respondents SKY PROPERTIES, INC. ("SKY" or "Respondent SKY"), KARI ALLETA NEGRI ("NEGRI" or "Respondent NEGRI"), both represented by Kevin D. Hughes, Esq., and the Complainant, acting by and through Julie L. To, Counsel for the Bureau of Real Estate, as follows for the purpose of settling and disposing of the Accusation ("Accusation") filed on January 22, 2016.

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

CalBRE Stipulation & Agreement – H-40113 LA

1 2. Respondents have received, read and understand the Statement to Respondent,
2 the Discovery Provisions of the APA and the Accusation filed by the Bureau of Real Estate
3 ("Bureau") in this proceeding.

4 3. Respondents timely 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 Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents
7 acknowledge that they understand that by withdrawing said Notice of Defense they thereby waive
8 their 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 they will waive other rights
10 afforded to them in connection with the hearing such as the right to present evidence in their
11 defense and the right to cross-examine witnesses.

12 4. This stipulation is based on the factual allegations contained in the Accusation.
13 Respondents do not admit those allegations. However, in the interest of expedience and
14 economy, Respondents choose not to contest these allegations, and understand that, as a result,
15 these factual allegations, without being admitted or denied, will serve as a prima facie basis for
16 the disciplinary action stipulated to herein. The Real Estate Commissioner shall not be required
17 to provide further evidence to prove said factual 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 any other proceeding or case in
20 which the Bureau of Real Estate, the state or federal government, or any agency of this state,
21 another state or federal government is involved, and otherwise shall not be admissible in any
22 other criminal or civil proceeding.

23 6. It is understood by the parties that the Real Estate Commissioner may adopt
24 this Stipulation as the Commissioner's Decision in this matter thereby imposing the penalty and
25 sanctions on Respondent's real estate licenses and license rights as set forth in the "Order" herein
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1 below. In the event that the Commissioner in his discretion does not adopt the Stipulation, it
2 shall be void and of no effect and Respondents shall retain the right to a hearing and proceeding
3 on the Accusation under the provisions of the APA and shall not be bound by any stipulation or
4 waiver 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 Bureau of Real Estate with respect to any matters
8 which were not specifically alleged to be causes for Accusation in this proceeding but do
9 constitute a bar, estoppel and merger as to any allegations actually contained in the Accusations
10 against Respondents herein.

11 8. Respondents understand that by agreeing to this Stipulation, Respondents agree
12 to pay, pursuant to Business and Professions Code Section 10148, the cost of the audit. The
13 amount of said cost for the original audit (LA130188) is \$4,557.10.

14 9. Respondents have received, read, and understand the "Notice Concerning
15 Costs of Subsequent Audit." Respondents further understand that by agreeing to this Stipulation,
16 the findings set forth below in the Determination of Issues become final, and the Commissioner
17 may charge Respondents for the cost of any subsequent audits conducted pursuant to Business
18 and Professions Code Section 10148 to determine if the violations have been corrected. The
19 maximum cost of the follow-up audits will not exceed one hundred twenty percent (120%) of the
20 cost of the original audit; in the instant case, the cost of the original audit, \$4,557.10, and the
21 maximum cost of the follow-up audit will not exceed \$5,468.52.

22 10. Respondents understand that by agreeing to this Stipulation, Respondents
23 agree to pay, pursuant to Business and Professions Code Section 10106, the Commissioner's cost
24 of the investigation and enforcement. The amount of said costs is \$1,936.50.

1 DETERMINATION OF ISSUES

2 By reason of the foregoing, it is stipulated and agreed that the following
3 determination of issues shall be made:

4 The factual allegations described in Paragraph 4, without being admitted or
5 denied, constitute a violation of Business and Professions Code ('Code') Section 10145 and
6 Regulations 2831, 2832(e), 2834, and 2951; Code Section 10130, and are bases for the
7 suspension or revocation of Respondents' licenses and license rights as a violation of the Real
8 Estate Law pursuant to Code Sections 10177(d) and 10177(g).

9 ORDER

10 WHEREFORE, THE FOLLOWING ORDER is hereby made:

11 I.

12 All licenses and licensing rights of Respondents SKY PROPERTIES, INC. and
13 KARI ALLETA NEGRI under the Real Estate Law are revoked; provided, however:
14 (1) a restricted real estate corporation license shall be issued to Respondent SKY, and
15 (2) a restricted real estate broker license shall be issued to Respondent NEGRI, both to be issued
16 pursuant to Section 10156.5 of the Code if Respondents SKY and NEGRI make applications
17 therefore and pay to the Bureau the appropriate fees for each of their restricted licenses within 90
18 days from the effective date of this Decision and Order. The restricted licenses issued to
19 Respondents SKY and NEGRI shall be subject to all of the provisions of Section 10156.7 of the
20 Code and to the following limitations, conditions and restrictions imposed under authority of
21 Section 10156.6 of the Code:

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1 1. The restricted license issued to Respondent NEGRI may be suspended prior to
2 hearing by Order of the Commissioner in the event of Respondent's conviction or plea of nolo
3 contendere to a crime which is substantially related to Respondent's fitness or capacity as a real
4 estate licensee.

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6 2. The restricted licenses issued to Respondents SKY and NEGRI may be
7 suspended prior to hearing by Order of the Real Estate Commissioner on evidence satisfactory to
8 the Commissioner that the respective Respondent has violated provisions of the California Real
9 Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or
10 conditions attaching to the restricted licenses.

11 3. Respondents shall not be eligible to apply for the issuance of unrestricted real
12 estate licenses nor for removal of any of the conditions, limitations or restrictions
13 of a restricted license until four (4) years have elapsed from the effective date of this Decision
14 and Order.

15 4. Respondent NEGRI shall, within nine months from the effective date of this
16 Decision and Order, present evidence satisfactory to the Real Estate Commissioner that
17 Respondent has, since the most recent issuance of an original or renewal real estate license,
18 taken and successfully completed the continuing education requirements of Article 2.5 of
19 Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent NEGRI
20 fails to satisfy this condition, Respondent NEGRI's real estate license shall automatically be
21 suspended until Respondent presents evidence satisfactory to the Commissioner of having taken
22 and successfully completed the continuing education requirements. Proof of completion of the
23 continuing education courses must be delivered to the Bureau of Real Estate, Flag Section at
24 P.O. Box 137013, Sacramento, CA 95813-7013.

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1 5. All licenses and licensing rights of Respondent NEGRI are indefinitely
2 suspended unless or until Respondent provides proof satisfactory to the Commissioner, of having
3 taken and successfully completed the continuing education course on trust fund accounting and
4 handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and
5 Professions Code. Proof of satisfaction of these requirements includes evidence that Respondent
6 has successfully completed the trust fund account and handling continuing education courses, no
7 earlier than one hundred twenty (120) days prior to the effective date of the Decision and Order
8 in this matter. Proof of completion of the trust fund accounting and handling course must be
9 delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA
10 95813-7013 or by fax at 916-263-8757, prior to the effective date of this Decision and Order.

11 6. Respondent NEGRI shall, within six (6) months from the effective date of this
12 Decision and Order, take and pass the Professional Responsibility Examination administered by
13 the Bureau including the payment of the appropriate examination fee. If Respondent fails to
14 satisfy this condition, Respondent's real estate license shall automatically be suspended until
15 Respondent passes the examination.

16 7. All licenses and licensing rights of Respondents SKY and NEGRI are
17 indefinitely suspended unless or until Respondents pay the sum of \$1,936.50 for the
18 Commissioner's reasonable cost of the investigation and enforcement which led to this
19 disciplinary action. Said payment shall be in the form of a cashier's check made payable to the
20 Bureau of Real Estate. The investigative and enforcement costs must be delivered to the Bureau
21 of Real Estate, Flag Section, P.O. Box 137013, Sacramento, CA 95813-7013, within sixty (60)
22 days from the effective date of this Decision and Order.

23 8. Pursuant to Section 10148 of the Code, Respondents shall pay the sum of
24 \$4,557.10 for the Commissioner's reasonable cost of the audit which led to this disciplinary
25 action. Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore
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1 from the Commissioner. Payment of audit costs should not be made until Respondents receive
2 the invoice. If Respondents fail to satisfy this condition in a timely manner as provided for
3 herein, Respondents' real estate licenses shall automatically be suspended until payment is made
4 in full, or until a decision providing otherwise is adopted following a hearing held pursuant to
5 this condition.

6 9. Pursuant to Section 10148 of the Code, Respondents shall pay the
7 Commissioner's reasonable cost, not to exceed \$5,468.52 [or, 120% of the original audit cost],
8 for an audit to determine if Respondents have corrected the violations found in the Determination
9 of Issues. In calculating the amount of the Commissioner's reasonable cost, the Commissioner
10 may use the estimated average hourly salary for all persons performing audits of real estate
11 brokers, and shall include an allocation for travel time to and from the auditor's place of work.
12 Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore from the
13 Commissioner. Payment of the audit costs should not be made until Respondents receive the
14 invoice. If Respondents fail to satisfy this condition in a timely manner as provided for herein,
15 Respondents' real estate licenses shall automatically be suspended until payment is made in full,
16 or until a decision providing otherwise is adopted following a hearing held pursuant to this
17 condition.

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19 DATED: 8-19-16



Julie L. To, Counsel for
Bureau of Real Estate

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23 EXECUTION OF THE STIPULATION

24 We have read the Stipulation and Agreement and discussed it with our attorney.
25 Its terms are understood by us and are agreeable and acceptable to us. We understand that we
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1 are waiving rights given to us by the California Administrative Procedure Act (including but not
2 limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and we willingly,
3 intelligently and voluntarily waive those rights, including the right of requiring the
4 Commissioner to prove the allegations in the Accusation at a hearing at which we would have the
5 right to cross-examine witnesses against us and to present evidence in defense and mitigation of
6 the charges.

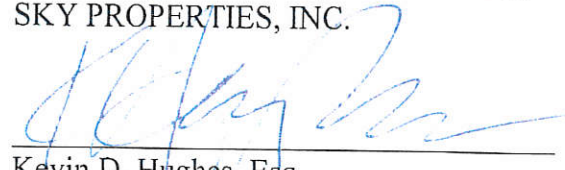
7 MAILING AND FACSIMILE

8 Respondents can signify acceptance and approval of the terms and conditions of
9 this Stipulation and Agreement by sending a hard copy of the original signed signature page(s) of
10 the Stipulation herein to Julie L. To, Legal Section, Bureau of Real Estate, 320 W. Fourth St.,
11 Suite 350, Los Angeles, California 90013-1105. In the event of time constraints before an
12 administrative hearing, Respondents can signify acceptance and approval of the terms and
13 conditions of this Stipulation and Agreement by emailing a scanned copy of the signature page,
14 as actually signed by Respondents, to the Bureau counsel assigned to this case. Respondents
15 agree, acknowledge, and understand that by electronically sending to the Bureau a scan of
16 Respondents' actual signatures as they appear on the Stipulation and Agreement, that receipt of
17 the scan by the Bureau shall be binding on Respondents as if the Bureau had received the original
18 signed Stipulation and Agreement.

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20 DATED: 8/19/16


KARI ALLETA NEGRI, Respondent,
individually and as designated officer of
SKY PROPERTIES, INC.

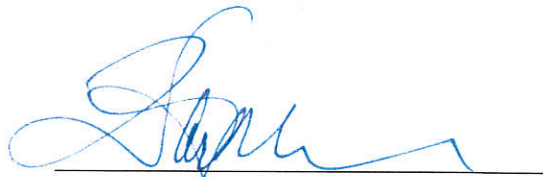
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23 DATED: 8/25/16


Kevin D. Hughes, Esq.
Attorney for Respondents
Approved as to form

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents SKY PROPERTIES, INC. and KARI ALLETA NEGRI, individually and as designated officer of SKY PROPERTIES, INC. and shall become effective at 12 o'clock noon on NOV 8 2 2016, 2016.

IT IS SO ORDERED Oct. 8, 2016.

REAL ESTATE COMMISSIONER


WAYNE S. BELL