

FILED

NOV 13 2018

DEPT. OF REAL ESTATE

By

1 Department of Real Estate
2 320 West 4th Street, Suite 350
3 Los Angeles, California 90013

4 Telephone: (213) 576-6982
5
6
7

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of

No. H-40925 LA

12 GREGORY FUNDING, INC.; and
13 CHRISTINE MY NGO CRUZ,
14 individually and as designated officer
of Gregory Funding, Inc.,

STIPULATION AND
AGREEMENT

15 Respondents.
16

17 It is hereby stipulated by and between Respondent GREGORY FUNDING, INC.
18 ("GFI"), represented by Nancy R. Thomas, Esq., and the Complainant, acting by and through
19 Diane Lee, Counsel for the Department of Real Estate, as follows for the purpose of settling and
20 disposing of the Accusation ("Accusation") filed on or about January 29, 2018, in this matter:

21 1. All issues which were to be contested and all evidence which were to be
22 presented by Complainant and Respondent GFI at a formal hearing on the Accusation, which
23 hearing was to be held in accordance with the provisions of the California Administrative
24 Procedure Act ("APA"), shall instead and in place thereof be submitted solely on the basis of the
25 provisions of this Stipulation and Agreement ("Stipulation").

26 2. Respondent GFI has received and read, and understands the Statement to
27

1 Respondent, the Discovery Provisions of the APA, and the Accusation filed by the Department of
2 Real Estate in this proceeding.

3 3. Respondent GFI filed a Notice of Defense pursuant to California Government
4 Code section 11506 for the purpose of requesting a hearing on the allegations in the Accusation.
5 Respondent GFI hereby freely and voluntarily withdraws said Notice of Defense. Respondent
6 GFI acknowledges that it understands that by withdrawing said Notice of Defense it thereby
7 waives its right to require the Commissioner to prove the allegations in the Accusation at a
8 contested hearing held in accordance with the provisions of the APA and that Respondent GFI
9 will waive other rights afforded to it in connection with the hearing such as the right to present
10 evidence in its defense and the right to cross-examine witnesses.

11 4. This Stipulation is based on the factual allegations contained in the Accusation.
12 In the interest of expedience and economy, Respondent GFI chooses not to contest these
13 allegations, but to remain silent and understand that, as a result thereof, these factual allegations,
14 without being admitted or denied, will serve as a prima facie basis for the disciplinary action
15 stipulated to herein. The Real Estate Commissioner shall not be required to provide further
16 evidence to prove said factual allegations.

17 5. This Stipulation and Respondent GFI's decision not to contest the Accusation
18 are made for the purpose of reaching an agreed disposition of this proceeding and are expressly
19 limited to this proceeding and any other proceeding or case in which the Department of Real
20 Estate, or another licensing agency of this state, or another state, or if the federal government is
21 involved, and otherwise shall not be admissible in any other criminal or civil proceedings..

22 6. It is understood by the parties that the Real Estate Commissioner may adopt
23 this Stipulation as his Decision in this matter thereby imposing the penalties and sanctions on the
24 real estate license, license rights, and mortgage loan originator ("MLO") license endorsement of
25 Respondent GFI as set forth in the below "Order." In the event that the Commissioner in his
26 discretion does not adopt this Stipulation, it shall be void and of no effect, and Respondent GFI
27 shall retain the right to a hearing and proceeding on the Accusation under the provisions of the

1 APA and shall not be bound by this Stipulation or any waiver herein.

2 7. The Order or any subsequent Order of the Real Estate Commissioner made
3 pursuant to this Stipulation herein shall not constitute an estoppel, merger, or bar to any further
4 administrative or civil proceedings by the Department of Real Estate with respect to any matters
5 which were not specifically alleged to be causes for Accusation in this proceeding, but do
6 constitute a bar, estoppel, and merger as to any allegations specifically and actually contained in
7 the Accusation against Respondent GFI herein.

8 8. Respondent GFI understands that by agreeing to this Stipulation, Respondent
9 GFI agrees to pay, pursuant to California Business and Professions Code section 10106, the cost
10 of the investigation and enforcement. The amount of investigation and enforcement cost is
11 \$2,774.00.

12 9. Respondent GFI understands that by agreeing to this Stipulation and
13 Agreement, Respondent GFI agrees to pay, pursuant to California Business and Professions Code
14 section 10148, the cost of the audit which led to this disciplinary action. The amount of said cost
15 for the original audit (LA150095) is \$11,728.00.

16 10. Respondent GFI understands that by agreeing to this Stipulation and
17 Agreement, the findings set forth below in the Determination of Issues become final, and the
18 Commissioner may charge Respondent GFI for the cost of any subsequent audit conducted
19 pursuant to California Business and Professions Code section 10148. The maximum cost of the
20 subsequent audit will not exceed \$14,660.00.

21 22 DETERMINATION OF ISSUES

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

25 The conduct, acts, or omissions of Respondent GFI, as described in the
26 Accusation and Paragraph 4, above, are in violation of California Business and Professions Code
27 section 10130, and is a basis for discipline of Respondent GFI's license, license rights, and MLO

1 license endorsement as violation of the Real Estate Law pursuant to California Business and
2 Professions Code sections 10145, 10145(a), 10148, 10159.5, 10177(d), 10177(g), 10231.1,
3 10232(e), and 10233(a) and Title 10, Chapter 6, California Code of Regulations sections 2731,
4 2831, 2831.1, 2831.2, 2832, and 2834.

6 **ORDER**

7 WHEREFORE, THE FOLLOWING ORDER is hereby made:

8 (RESTRICTED CORPORATE BROKER LICENSE)

9 I.

10 All license, licensing rights, and MLO license endorsement of Respondent GFI,
11 under the Real Estate Law are revoked; provided, however, a restricted real estate broker license
12 and restricted MLO license endorsement shall be issued to Respondent GFI pursuant to
13 California Business and Professions Code section 10156.5 if Respondent GFI makes application
14 therefor and pays to the Department of Real Estate the appropriate fee for the restricted license
15 within one-hundred and twenty (120) days from the effective date of this Decision. The
16 restricted license issued to Respondent GFI shall be subject to all of the provisions of California
17 Business and Professions Code section 10156.7 and to the following limitations, conditions, and
18 restrictions imposed under authority of the California Business and Professions Code:

19 1. The restricted license issued to Respondent GFI may be suspended prior to
20 hearing by Order of the Real Estate Commissioner in the event of Respondent GFI's conviction
21 or plea of nolo contendere to a crime which is substantially related to Respondent GFI's fitness
22 or capacity as a real estate licensee.

23 2. The restricted license issued to Respondent GFI may be suspended prior to
24 hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner
25 that Respondent GFI has violated provisions of the California Real Estate Law, the Subdivided
26 Lands Law, Regulations of the Real Estate Commissioner, or conditions attaching to this
27 restricted license.

1 3. Respondent GFI shall not be eligible to apply for the issuance of an
2 unrestricted real estate license nor for the removal of any of the conditions, limitations, or
3 restrictions of a restricted license until three (3) years have elapsed from the date of issuance of
4 the restricted license to Respondent GFI.

5 4. Respondent GFI shall not have Respondent Christine My Ngo Cruz as a
6 designated officer or broker associate. Respondent GFI also shall not employ Respondent
7 Christine My Ngo Cruz in a licensed capacity.

8
9 (INVESTIGATION AND ENFORCEMENT COSTS)

10 II.

11 All license, licensing rights, and MLO license endorsement of Respondent GFI
12 are indefinitely suspended unless or until Respondent Christine My Ngo Cruz, with joint and
13 several liability with Gregory Funding, Inc., pays the sum of \$2,774.00 for the Commissioner's
14 reasonable cost of the investigation and enforcement which led to this disciplinary action. Said
15 payment shall be in the form of a cashier's check or certified check made payable to the
16 Department of Real Estate. The investigation and enforcement costs must be delivered to the
17 Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior
18 to the effective date of this Decision and Order.

19
20 (AUDIT COSTS)

21 III.

22 1. Pursuant to California Business and Professions Code section 10148,
23 Respondent GFI with joint and several liability with Christine My Ngo Cruz shall pay
24 \$11,728.00 for the Commissioner's cost of the audit which led to this disciplinary action.
25 Respondent GFI shall pay this \$11,728.00 within thirty (30) days of receiving an invoice
26 therefore from the Commissioner. Payment of audit costs should not be made until Respondent
27 GFI receives the invoice. If Respondent GFI fails to satisfy this condition in a timely manner as

1 provided for herein, the real estate license of Respondent GFI shall automatically be suspended
2 until payment is made in full, or until a decision providing otherwise is adopted following a
3 hearing held pursuant to this condition.

4 2. Pursuant to California Business and Professions Code section 10148,
5 Respondent GFI shall pay the Commissioner's reasonable cost, not to exceed \$14,660.00, for an
6 audit to determine if Respondent GFI has corrected the violations found in the Determination of
7 Issues. In calculating the amount of the Commissioner's reasonable cost, the Commissioner
8 may use the estimated average hourly salary for all persons performing audits of real estate
9 broker(s), and shall include an allocation for travel time to and from the auditor's place of work.
10 Respondent GFI shall pay such cost within thirty (30) days of receiving an invoice therefor from
11 the Commissioner. Payment of the audit costs should not be made until Respondent GFI
12 receives the invoice. If Respondent GFI fails to satisfy this condition in a timely manner as
13 provided for herein, the real estate license of Respondent GFI shall automatically be suspended
14 until payment is made in full, or until a decision providing otherwise is adopted following a
15 hearing held pursuant to this condition.

16
17 DATED: 10/26/2018



DIANE LEE, Counsel for
Department of Real Estate

18
19 * * *

20 EXECUTION OF THE STIPULATION

21 I, CHRISTINE MY NGO CRUZ, as designated officer of GREGORY
22 FUNDING, INC., have read the Stipulation. Its terms are understood by GFI and me, and are
23 agreeable and acceptable to GFI and me. I understand that GFI is waiving rights given to GFI by
24 the California APA (including, but not limited to, California Government Code sections 11506,
25 11508, 11509, and 11513), and GFI willingly, intelligently, and voluntarily waive those rights,
26 including, but not limited to, the right of requiring the Commissioner to prove the allegations in
27

1 the Accusation at a hearing at which GFI would have the right to cross-examine witnesses
2 against GFI, and to present evidence in defense and mitigation of the charges.

3
4 MAILING AND E-MAILING A SCANNED COPY

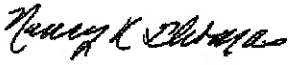
5 Respondent GFI can signify acceptance and approval of the terms and conditions
6 of this Stipulation and Agreement by sending a hard copy of the original signed signature page(s)
7 of the Stipulation herein to Diane Lee, Legal Section, Department of Real Estate, 320 W. Fourth
8 St., Suite 350, Los Angeles, California 90013-1105. In the event of time constraints before an
9 administrative hearing, Respondent GFI can signify acceptance and approval of the terms and
10 conditions of this Stipulation and Agreement by e-mailing a scanned copy of the signature page,
11 as actually signed by Respondent GFI, to the Department of Real Estate counsel assigned to this
12 case. Respondent GFI agrees, acknowledges, and understands that by electronically sending to
13 the Department of Real Estate a scan of Respondent GFI's actual signature as it appears on the
14 Stipulation and Agreement, that receipt of the scan by the Department of Real Estate shall be
15 binding on Respondent GFI as if the Department of Real Estate had received the original signed
16 Stipulation and Agreement.

17
18 DATED: 10/24/18



GREGORY FUNDING, INC.,
by Christine My Ngo Cruz (designated officer)

20
21 DATED: 10/26/18



NANCY R. THOMAS, ESQ.
Attorney for Respondent GREGORY FUNDING, INC.

23 * * *

24 ///

25 ///

26 ///

1
2
3
4
5
6
7
8
9
10
11
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 GREGORY FUNDING, INC., and shall become effective at 12 o'clock noon on
December 13, 2018.

IT IS SO ORDERED November 8, 2018.

DANIEL J. SANDRI
ACTING REAL ESTATE COMMISSIONER

