

FILED

NOV 13 2018

DEPT. OF REAL ESTATE

By

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

Telephone: (213) 576-6982

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

No. H-40925 LA

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

STIPULATION AND
AGREEMENT

Respondents.

It is hereby stipulated by and between Respondent CHRISTINE MY NGO CRUZ ("CRUZ"), represented by Michael R. Pfeifer, Esq., and the Complainant, acting by and through Diane Lee, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation ("Accusation") filed on or about January 29, 2018, in this matter:

1. All issues which were to be contested and all evidence which were to be presented by Complainant and Respondent CRUZ at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the California 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").

2. Respondent CRUZ has received and read, and understands the Statement to

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 CRUZ filed a Notice of Defense pursuant to California
4 Government Code section 11506 for the purpose of requesting a hearing on the allegations in the
5 Accusation. Respondent CRUZ hereby freely and voluntarily withdraws said Notice of Defense.
6 Respondent CRUZ acknowledges that she understands that by withdrawing said Notice of
7 Defense she thereby waives her right to require the Commissioner to prove the allegations in the
8 Accusation at a contested hearing held in accordance with the provisions of the APA and that
9 Respondent CRUZ will waive other rights afforded to her in connection with the hearing such as
10 the right to present evidence in her 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 CRUZ 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 CRUZ's decision not to contest the
18 Accusation are made for the purpose of reaching an agreed disposition of this proceeding and are
19 expressly limited to this proceeding and any other proceeding or case in which the Department of
20 Real Estate, or another licensing agency of this state, or another state, or if the federal
21 government is involved, and otherwise shall not be admissible in any other criminal or civil
22 proceedings..

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

1 CRUZ shall retain the right to a hearing and proceeding on the Accusation under the provisions
2 of the APA and shall not be bound by this Stipulation or any waiver herein.

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

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

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

17 10. Respondent CRUZ understands that by agreeing to this Stipulation and
18 Agreement, the findings set forth below in the Determination of Issues become final, and the
19 Commissioner may charge Respondent CRUZ for the cost of any subsequent audit conducted
20 pursuant to California Business and Professions Code section 10148. This audit will be of
21 Respondent CRUZ and/or any corporation for which she is the designated officer of at any time
22 after the effective date of this Decision. The maximum cost of the subsequent audit will not
23 exceed \$14,660.00.

24
25 DETERMINATION OF ISSUES

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

1 The conduct, acts, or omissions of Respondent CRUZ, as described in the
2 Accusation and Paragraph 4, above, are in violation of California Business and Professions Code
3 section 10130, and is a basis for discipline of Respondent CRUZ's license, license rights, and
4 MLO license endorsement as violation of the Real Estate Law pursuant to California Business
5 and Professions Code sections 10145, 10145(a), 10148, 10159.2, 10159.5, 10177(d), 10177(g),
6 10177(h), 10231.1, 10232(e), and 10233(a) and Title 10, Chapter 6, California Code of
7 Regulations sections 2725, 2731, 2831, 2831.1, 2831.2, 2832, and 2834.

8
9 ORDER

10 WHEREFORE, THE FOLLOWING ORDER is hereby made:

11 (RESTRICTED BROKER LICENSE)

12 I.

13 All license, licensing rights, and MLO license endorsement of Respondent
14 CRUZ, under the Real Estate Law are revoked; provided, however, a restricted real estate broker
15 license and restricted MLO license endorsement shall be issued to Respondent CRUZ pursuant
16 to California Business and Professions Code section 10156.5 if Respondent CRUZ makes
17 application therefor and pays to the Department of Real Estate the appropriate fee for the
18 restricted license within ninety (90) days from the effective date of this Decision. The restricted
19 license issued to Respondent CRUZ shall be subject to all of the provisions of California
20 Business and Professions Code section 10156.7 and to the following limitations, conditions, and
21 restrictions imposed under authority of the California Business and Professions Code:

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

26 2. The restricted license issued to Respondent CRUZ may be suspended prior to
27 hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner

1 that Respondent CRUZ has violated provisions of the California Real Estate Law, the
2 Subdivided Lands Law, Regulations of the Real Estate Commissioner, or conditions attaching to
3 this restricted license.

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

8 4. Respondent CRUZ shall not be the designated officer of any corporation that
9 she is not the one hundred (100) percent owner of.

10 5. Respondent CRUZ shall not be a broker associate of Respondent Gregory
11 Funding, Inc. or otherwise be employed by Respondent Gregory Funding, Inc. in a licensed
12 capacity.

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14 (INVESTIGATION AND ENFORCEMENT COSTS)

15 II.

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

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(AUDIT COSTS)

III.

1. Pursuant to California Business and Professions Code section 10148,

Respondent CRUZ with joint and several liability with Gregory Funding, Inc. shall pay \$11,728.00 for the Commissioner's cost of the audit which led to this disciplinary action. Respondent CRUZ shall pay this \$11,728.00 within thirty (30) days of receiving an invoice therefore from the Commissioner. Payment of audit costs should not be made until Respondent CRUZ receives the invoice. If Respondent CRUZ fails to satisfy this condition in a timely manner as provided for herein, the real estate license of Respondent CRUZ shall automatically be suspended until payment is made in full, or until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

2. Pursuant to California Business and Professions Code section 10148,

Respondent CRUZ shall pay the Commissioner's reasonable cost, not to exceed \$14,660.00, for an audit to determine if Respondent CRUZ has corrected the violations found in the Determination of Issues. This audit shall be of Respondent CRUZ and/or any corporation for which she is the designated officer of at any time after the effective date of this Decision. In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly salary for all persons performing audits of real estate broker(s), and shall include an allocation for travel time to and from the auditor's place of work. Respondent CRUZ shall pay such cost within thirty (30) days of receiving an invoice therefor from the Commissioner. Payment of the audit costs should not be made until Respondent CRUZ receives the invoice. If Respondent CRUZ fails to satisfy this condition in a timely manner as provided for herein, the real estate license of Respondent CRUZ shall automatically be suspended until payment is made in full, or until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

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1 (TRUST FUND COURSE)

2 IV.

3 All licenses and licensing rights of Respondent CRUZ are indefinitely suspended
4 unless or until Respondent CRUZ provides proof satisfactory to the Commissioner, of having
5 taken and successfully completed the continuing education course on trust fund accounting and
6 handling specified in California Business and Professions Code section 10170.5(a)(3). Proof of
7 satisfaction of these requirements includes evidence that Respondent CRUZ has successfully
8 completed the trust fund account and handling continuing education courses, no earlier than 120
9 days prior to the effective date of the Decision and Order in this matter. Proof of completion of
10 the trust fund accounting and handling course must be delivered to the Department of Real
11 Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013 or by fax at 916-263-
12 8758, prior to the effective date of this Decision and Order.

13 (PROFESSIONAL RESPONSIBILITY EXAMINATION)

14 V.

15 Respondent CRUZ shall, within six (6) months from the effective date of this
16 Decision, take and pass the Professional Responsibility Examination administered by the
17 Department including the payment of the appropriate examination fee. If Respondent CRUZ
18 fails to satisfy this condition in a timely manner as provided for herein, the real estate license of
19 Respondent CRUZ shall automatically be suspended unless or until Respondent CRUZ provides
20 proof satisfactory to the Commissioner of having satisfied this condition, or until a decision
21 providing otherwise is adopted following a hearing held pursuant to this condition.
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24 DATED: 10/26/2018

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26 DIANE LEE, Counsel for
27 Department of Real Estate

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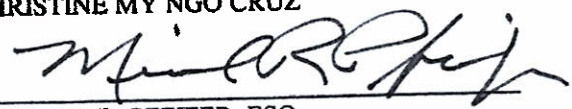
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DATED: 10/24/18



CHRISTINE MY NGO CRUZ

DATED: 10/24/18



MICHAEL R. PFEIFER, ESQ.
Attorney for Respondent CHRISTINE MY NGO CRUZ

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
Respondent CHRISTINE MY NGO CRUZ, 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