

1 DEPARTMENT OF REAL ESTATE
2 320 West 4th Street, Suite 350
3 Los Angeles, California 90013-1105
4 Telephone: (213) 620-2072

FILED

MAY 13 2020

DEPT. OF REAL ESTATE

By _____

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6
7
8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

* * * *

10 In the Matter of the Accusation against) DRE No. H-41432 LA
11 JLA REAL ESTATE GROUP and) OAH No. 2019090444
12 JAMES LEON ANTOYAN, individually and)
13 as designated officer for JLA Real Estate Group,) STIPULATION AND
14 Respondents.) AGREEMENT IN SETTLEMENT
15) AND ORDER
16)
17)
18)

15 It is hereby stipulated by and between Respondents JLA REAL ESTATE GROUP and
16 JAMES LEON ANTOYAN, individually and as designated officer for JLA Real Estate Group
17 (collectively "Respondents"), represented by Christopher D.N. Hanson, Esq., and Complainant,
18 acting by and through Lissete Garcia, Counsel for the Department of Real Estate
19 ("Department"), as follows for the purpose of settling and disposing the Accusation filed on
20 July 25, 2019, with Department Case No. H-41432 LA ("Accusation") in this matter:

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

Stipulation and Agreement
H-41432 LA

1 Agreement in Settlement and Order ("Stipulation").

2 2. Respondents have received, read, and understand the Statement to Respondent, the
3 Discovery Provisions of the APA, and Accusation filed by the Department in this proceeding.

4 3. Notices of Defense were filed by Respondents 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 Notices of Defense. Respondents
7 acknowledge and understand that by withdrawing said Notices of Defense, Respondents will
8 thereby waive Respondents' rights to require the Real Estate Commissioner ("Commissioner") to
9 prove the allegations in the Accusation at a contested hearing held in accordance with the
10 provisions of the APA and that Respondents will waive other rights afforded to them in
11 connection with the hearing such as the right to present evidence in defense of the allegations in
12 the Accusation and the right to cross-examine witnesses.

13 4. This Stipulation is based on the factual allegations contained in the Accusation filed in
14 this proceeding. In the interest of expedience and economy, Respondents choose not to contest
15 these factual allegations, but to remain silent and understand that, as a result thereof, these
16 factual statements, will serve as a prima facie basis for the disciplinary action stipulated to
17 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove
18 such allegations.

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

24 6. It is understood by the parties that the Real Estate Commissioner may adopt the

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

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

11 DETERMINATION OF ISSUES

12 By reason of the foregoing stipulation and agreement and solely for the purpose of
13 settlement of the pending Accusation without a hearing, it is stipulated and agreed that the
14 following determination of issues shall be made:

15 I.

16 The conduct, acts and/or omissions of Respondent JLA REAL ESTATE GROUP as set
17 forth in Paragraph 4 above, constitute cause for the suspension or revocation of all real estate
18 licenses and license rights of Respondent JLA REAL ESTATE GROUP under the provisions of
19 Business and Professions Code ("Code") section 10177, subdivision (d), and Code section
20 10176, subdivisions (e) and (g), for violation of Code sections 10145 and Title 10, Chapter 6,
21 California Code of Regulations ("Regulation") 2832.1, 2831, 2831.1, 2831.2, 2834, and 2835(b).

22 II.

23 The conduct, acts and/or omissions of Respondent JAMES LEON ANTOYAN as set
24 forth in Paragraph 4 above, constitutes cause for the suspension or revocation of all real estate

1 licenses and license rights of Respondent JAMES LEON ANTOYAN under the provisions of
2 Code section 10177(h) for violation of Code section 10159.2 and Regulation 2725.

3 ORDER

4 I.

5 All licenses and license rights of Respondent JLA REAL ESTATE GROUP are
6 suspended for a period of one hundred twenty (120) days from the effective date of this Decision
7 and Order; provided, however, said one hundred twenty (120) day suspension shall be stayed for
8 two (2) years upon the following terms and conditions:

9 1. Respondent shall obey all laws, rules and regulations governing the rights,
10 duties and responsibilities of a real estate licensee in the State of California; and,

11 2. That no final subsequent determination be made, after hearing or upon
12 stipulation, that cause for disciplinary action occurred within two (2) years from the effective
13 date of this Decision and Order. Should such a determination be made, the Commissioner may,
14 in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed
15 suspension. Should no such determination be made, the stay imposed herein shall become
16 permanent.

17 3. Respondent JLA REAL ESTATE GROUP shall pay, severally or jointly
18 with Respondent JAMES LEON ANTOYAN, the sum of \$1,200.00 for the Commissioner's
19 reasonable cost of the investigation and enforcement which led to this disciplinary action **within**
20 **sixty (60) days from the effective date of this Decision and Order**. Said payment shall be in
21 the form of a cashier's check made payable to the Department of Real Estate. **The investigative**
22 **and enforcement costs must be delivered to the Department of Real Estate, Flag Section at**
23 **P.O. Box 137013, Sacramento, CA 95813-7013. Payment of investigation and enforcement**
24 **costs should not be made until the Stipulation has been approved by the Commissioner. If**

1 Respondents fail to satisfy this condition in a timely manner as provided for herein,
2 Respondents' real estate licenses shall automatically be suspended until payment is made in full,
3 or until a decision providing otherwise is adopted following a hearing held pursuant to this
4 condition.

5 4. Respondents shall, **within sixty (60) days from the effective date of this**
6 **Decision and Order**, provide proof satisfactory to the Commissioner of having reimbursed the
7 property owners who were charged fees in excess of the amounts billed to JLA REAL ESTATE
8 GROUP as described in further detail in Issue Nine (9) of the Audit Report No. SD 180008 and
9 as noted below:

<u>Property</u>	<u>Reimbursement/Mark-up Amount</u>
2940 Heller Drive	\$331.00
612 W. 11 th Street	\$391.00
2920 Prospect Ave.	\$280.00
100 Tennessee Lido	\$7,301.88

15 Proof of satisfaction of this requirement includes, but is not limited to, a copy of a
16 cancelled check to the property owners and/or a letter from the property owners attesting that
17 repayment of funds has been received. **Proof of payment must be delivered to the**
18 **Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013**
19 **or by fax at 916-263-8758.** If Respondents fail to satisfy this condition in a timely manner as
20 provided for herein, Respondents' real estate licenses shall automatically be suspended until
21 payment is made in full, or until a decision providing otherwise is adopted following a hearing
22 held pursuant to this condition.

23 5. Pursuant to section 10148 of the Code, Respondents shall pay, severally or
24 jointly, the sum of \$10,994.56 for the Commissioner's cost of the audit which led to this

1 disciplinary action. **Respondents shall pay such cost within sixty (60) days of receiving an**
2 **invoice therefore from the Commissioner. Payment of audit costs should not be made until**
3 **Respondents receive the invoice.** If Respondents fail to satisfy this condition in a timely
4 manner as provided for herein, Respondents' real estate licenses shall automatically be
5 suspended until payment is made in full, or until a decision providing otherwise is adopted
6 following a hearing held pursuant to this condition.

7 6. Respondents understand that by agreeing to this Stipulation, the findings
8 set forth below in the Determination of Issues become final, and the Commissioner may charge
9 Respondents for the cost of any subsequent audit, if a subsequent audit is conducted, pursuant to
10 Code section 10148 to determine if the violations have been corrected and that Respondents are
11 in compliance with trust fund handling requirements of the Real Estate Law. The maximum cost
12 of the follow-up audit will not exceed one-hundred twenty-five percent (125%) of the cost of the
13 original audit; in the instant case, the cost of the original audit is \$10,994.56, and the maximum
14 cost of the follow-up audit will not exceed \$13,743.20. Therefore, Respondents may be charged
15 a maximum of \$13,743.20 in the event of a subsequent audit.

16 7. Pursuant to Section 10148 of the Code, Respondents shall pay the
17 Commissioner's reasonable cost, not to exceed \$13,743.20, for any subsequent audit, if one is
18 performed, to determine if Respondents have corrected the violations found in the Determination
19 of Issues and that Respondents are in compliance with trust fund handling requirements of the
20 Real Estate Law. In calculating the amount of the Commissioner's reasonable cost, the
21 Commissioner may use the estimated average hourly salary for all persons performing audits of
22 real estate brokers, and shall include an allocation for travel time to and from the auditor's place
23 of work. Respondents shall pay such cost within sixty (60) days of receiving an invoice
24 therefore from the Commissioner. **Payment of the audit costs should not be made until**

1 **Respondents receive the invoice.** If Respondents fail to satisfy this condition in a timely
2 manner as provided for herein, Respondents' real estate licenses shall automatically be
3 suspended until payment is made in full, or until a decision providing otherwise is adopted
4 following a hearing held pursuant to this condition.

5 II.

6 All licenses and license rights of Respondent JAMES LEON ANTOYAN are
7 suspended for a period of one hundred twenty (120) days from the effective date of this Decision
8 and Order; provided, however, said one hundred twenty (120) day suspension shall be stayed for
9 two (2) years upon the following terms and conditions:

10 1. Respondent shall obey all laws, rules and regulations governing the rights,
11 duties and responsibilities of a real estate licensee in the State of California; and,

12 2. That no final subsequent determination be made, after hearing or upon
13 stipulation, that cause for disciplinary action occurred within two (2) years from the effective
14 date of this Decision and Order. Should such a determination be made, the Commissioner may,
15 in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed
16 suspension. Should no such determination be made, the stay imposed herein shall become
17 permanent.

18 3. Respondent JAMES LEON ANTOYAN shall pay, severally or jointly
19 with Respondent JLA REAL ESTATE GROUP, the sum of \$1,200.00 for the Commissioner's
20 reasonable cost of the investigation and enforcement which led to this disciplinary action **within**
21 **sixty (60) days from the effective date of this Decision and Order.** Said payment shall be in
22 the form of a cashier's check made payable to the Department of Real Estate. **The investigative**
23 **and enforcement costs must be delivered to the Department of Real Estate, Flag Section at**
24 **P.O. Box 137013, Sacramento, CA 95813-7013. Payment of investigation and enforcement**

1 **costs should not be made until the Stipulation has been approved by the Commissioner.** If
2 Respondents fail to satisfy this condition in a timely manner as provided for herein,
3 Respondents' real estate licenses shall automatically be suspended until payment is made in full,
4 or until a decision providing otherwise is adopted following a hearing held pursuant to this
5 condition.

6 4. Respondents shall, **within sixty (60) days from the effective date of this**
7 **Decision and Order**, provide proof satisfactory to the Commissioner of having reimbursed the
8 property owners who were charged fees in excess of the amounts billed to JLA REAL ESTATE
9 GROUP as described in further detail in Issue Nine (9) of the Audit Report No. SD 180008 and
10 as noted below:

<u>Property</u>	<u>Reimbursement/Mark-up Amount</u>
2940 Heller Drive	\$331.00
612 W. 11 th Street	\$391.00
2920 Prospect Ave.	\$280.00
100 Tennessee Lido	\$7,301.88

16 Proof of satisfaction of this requirement includes, but is not limited to, a
17 copy of a cancelled check to the property owners and/or a letter from the property owners
18 attesting that repayment of funds has been received. **Proof of payment must be delivered to**
19 **the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-**
20 **7013 or by fax at 916-263-8758.** If Respondents fail to satisfy this condition in a timely
21 manner as provided for herein, Respondents' real estate licenses shall automatically be
22 suspended until payment is made in full, or until a decision providing otherwise is adopted
23 following a hearing held pursuant to this condition.
24

1 5. Respondent JAMES LEON ANTOYAN shall, **within nine (9) months**
2 **from the effective date of this Decision and Order**, present evidence satisfactory to the
3 Commissioner that Respondent has, since the most recent issuance of an original or renewal real
4 estate license, taken and successfully completed the continuing education requirements of Article
5 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. The continuing
6 education courses must include the course on trust fund accounting and handling specified in
7 paragraph (3) of subdivision (a) of Section 10170.5 of the Business and Professions Code. Proof
8 of satisfaction of these requirements includes evidence that Respondent has successfully
9 completed the trust fund account and handling continuing education courses, no earlier than 120
10 days prior to the effective date of the Decision and Order in this matter. If Respondent JAMES
11 LEON ANTOYAN fails to satisfy this condition, Respondent's real estate license shall
12 automatically be suspended until Respondent presents evidence satisfactory to the Commissioner
13 of having taken and successfully completed the continuing education requirements. **Proof of**
14 **completion of the continuing education courses must be delivered to the Department of**
15 **Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013.**

16 6. Pursuant to section 10148 of the Code, Respondents shall pay, severally or
17 jointly, the sum of \$10,994.56 for the Commissioner's cost of the audit which led to this
18 disciplinary action. **Respondents shall pay such cost within sixty (60) days of receiving an**
19 **invoice therefore from the Commissioner. Payment of audit costs should not be made until**
20 **Respondents receive the invoice.** If Respondents fail to satisfy this condition in a timely
21 manner as provided for herein, Respondents' real estate licenses shall automatically be
22 suspended until payment is made in full, or until a decision providing otherwise is adopted
23 following a hearing held pursuant to this condition.
24

1 7. Respondents understand that by agreeing to this Stipulation, the findings
2 set forth below in the Determination of Issues become final, and the Commissioner may charge
3 Respondents for the cost of any subsequent audit, if a subsequent audit is conducted, pursuant to
4 Code section 10148 to determine if the violations have been corrected and that Respondents are
5 in compliance with trust fund handling requirements of the Real Estate Law. The maximum cost
6 of the follow-up audit will not exceed one-hundred twenty-five percent (125%) of the cost of the
7 original audit; in the instant case, the cost of the original audit is \$10,994.56, and the maximum
8 cost of the follow-up audit will not exceed \$13,743.20. Therefore, Respondents may be charged
9 a maximum of \$13,743.20 in the event of a subsequent audit.

10 8. Pursuant to Section 10148 of the Code, Respondents shall pay the
11 Commissioner's reasonable cost for any subsequent audit (said cost may not exceed a maximum
12 of \$13,743.20), if one is performed, to determine if Respondents have corrected the violations
13 found in the Determination of Issues and that Respondents are in compliance with trust fund
14 handling requirements of the Real Estate Law. In calculating the amount of the Commissioner's
15 reasonable cost, the Commissioner may use the estimated average hourly salary for all persons
16 performing audits of real estate brokers, and shall include an allocation for travel time to and
17 from the auditor's place of work. Respondents shall pay such cost within sixty (60) days of
18 receiving an invoice therefore from the Commissioner. **Payment of the audit costs should not**
19 **be made until Respondents receive the invoice.** If Respondents fail to satisfy this condition in
20 a timely manner as provided for herein, Respondents' real estate licenses shall automatically be
21 suspended until payment is made in full, or until a decision providing otherwise is adopted
22 following a hearing held pursuant to this condition.

23 DATED: March 12, 2020



Lissete Garcia, Counsel
Department of Real Estate

1 * * *

2 EXECUTION OF THE STIPULATION

3 We have read this Stipulation and its terms are understood by us and are agreeable and
4 acceptable to us. We understand that we are waiving rights given to us by the California APA
5 (including, but not limited to, sections 11506, 11508, 11509, and 11513 of the Government
6 Code), and we willingly, intelligently, and voluntarily waive those rights, including the right of
7 requiring the Commissioner to prove the allegations in the Accusation at a hearing at which we
8 would have the right to cross-examine witnesses against us and to present evidence in defense
9 and mitigation of the charges.

10 Respondents can signify acceptance and approval of the terms and conditions of this
11 Stipulation and Agreement by electronically e-mailing a copy of the signature pages, as actually
12 signed by Respondents, to the Department. Respondents agree, acknowledge, and understand
13 that by electronically sending to the Department an electronic copy of Respondents' actual
14 signatures, as they appear on the Stipulation, that receipt of the emailed copy by the Department
15 shall be as binding on Respondents as if the Department had received the original signed
16 Stipulation. By signing this Stipulation, Respondents understand and agree that Respondents
17 may not withdraw their agreement or seek to rescind the Stipulation prior to the time the
18 Commissioner considers and acts upon it or prior to the effective date of the Stipulation and
19 Order.

20 MAILING

21 Respondents and their counsel shall, within five (5) business days from signing the
22 Stipulation, mail the original signed signature page(s) of the Stipulation herein to Lissete Garcia,
23 Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Room 350, Los
24 Angeles, California 90013-1105.

1 Respondents' signatures below constitute acceptance and approval of the terms and
2 conditions of this Stipulation. Respondents agree, acknowledge, and understand that by signing
3 this Stipulation Respondents are bound by its terms as of the date of such signature and that this
4 agreement is not subject to rescission or amendment at a later date except by a separate Decision
5 and Order of the Real Estate Commissioner.

6 DATED: 3/12/20


Respondent JLA REAL ESTATE GROUP


By (Printed Name): James Antoyan

Title: CEO

10 DATED: 3/12/20


Respondent JAMES LEON ANTOYAN

12 DATED: 3/19/20


Christopher D.N. Hanson, Esq., Attorney for Respondents
Approved as to Form

14 * * *

15 The foregoing Stipulation and Agreement in Settlement and Order is hereby
16 adopted by me as my Decision in this matter and shall become effective at 12 o'clock noon on
17 June 12, , 2020.

18 IT IS SO ORDERED 5/4/20 . 2020.

20 SANDRA KNAU
21 ACTING REAL ESTATE COMMISSIONER

