

DEPARTMENT OF REAL ESTATE
320 West 4th Street, Suite 350
Los Angeles, California 90013-1105
Telephone: (213) 559-5990

FILED

MAY 28 2025

DEPT. OF REAL ESTATE

By- [REDACTED]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation against

AMC-CA INCORPORATED and
MICHAEL TERRENCE COBERY,
individually and as designated officer for
AMC-CA Incorporated,

Respondents.

DRE No. H-42888 LA
OAH No. 2024100190

STIPULATION AND
AGREEMENT IN SETTLEMENT
AND ORDER

It is hereby stipulated by and between Respondents AMC-CA INCORPORATED and MICHAEL TERRENCE COBERY (collectively "Respondents"), represented by Ginger Sotelo, Esq., in this matter, and the Complainant, acting by and through Lissete Garcia, Counsel for the Department of Real Estate ("Department"), as follows for the purpose of settling and disposing the First Amended Accusation filed on November 5, 2024, with Department Case No. H-42888 LA ("Accusation") in this matter:

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

1 (“APA”), shall instead and in place thereof be submitted on the basis of the provisions of this
2 Stipulation and Agreement in Settlement and Order (“Stipulation”).

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

5 3. Respondents filed a Notice of Defense pursuant to Section 11506 of the
6 Government Code for the purpose of requesting a hearing on the allegations in the Accusation.
7 Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents
8 acknowledge and understand that by withdrawing said Notice of Defense, Respondents will
9 thereby waive Respondents’ rights to require the Real Estate Commissioner (“Commissioner”) to
10 prove the allegations in the Accusation at a contested hearing held in accordance with the
11 provisions of the APA and that Respondents will waive other rights afforded to Respondents in
12 connection with the hearing such as the right to present evidence in defense of the allegations in
13 the Accusation and the right to cross-examine witnesses.

14 4. Respondents, pursuant to the limitations set forth below, hereby admit that the
15 factual allegations (or findings of fact as set forth below) in Paragraphs 3 through 75 of the
16 Accusation filed in this proceeding are true and correct and the Real Estate Commissioner shall
17 not be required to provide further evidence of such allegations.

18 5. It is understood by the parties that the Real Estate Commissioner may adopt
19 the Stipulation and Agreement as her Decision in this matter, thereby imposing the penalty and
20 sanctions on Respondents’ real estate licenses and license rights as set forth in the below
21 “Order”. In the event that the Commissioner in her discretion does not adopt the Stipulation and
22 Agreement, it shall be void and of no effect, and Respondents shall retain the right to a hearing
23 and proceeding on the Accusation under all the provisions of the APA and shall not be bound by
24 any admission or waiver made herein.

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

5 7. Respondents understand that by agreeing to this Stipulation, Respondents
6 agree to pay, pursuant to Section 10148 of the California Business and Professions Code
7 ("Code"), the cost of the audit which resulted in the determination that Respondent committed
8 the violations found in the "Determination of Issues" below. The amount of said cost is
9 \$14,535.00.

10 8. Respondents understand that by agreeing to this Stipulation, the findings set
11 forth below in the Determination of Issues become final, and the Commissioner may charge
12 Respondents for the cost of any subsequent audit conducted pursuant to Business and Professions
13 Code Section 10148 to determine if the violations have been corrected. The maximum cost of
14 the subsequent audit will not exceed \$18,168.75.

15 9. Respondents further understand that by agreeing to this Stipulation,
16 Respondents agree to pay, pursuant to Section 10106(a) of the Code, investigative and
17 enforcement costs of \$11,680.65 which led to this disciplinary action.

18 DETERMINATION OF ISSUES

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

22 I.

23 The conduct, acts and/or omissions of Respondent AMC-CA INCORPORATED
24 as set forth herein above in Paragraph 4, constitute cause for the suspension or revocation of all

1 real estate licenses and license rights of Respondent AMC-CA INCORPORATED pursuant to
2 the provisions of Code sections 10165 and 10177, subdivisions (d) and (g), for violation of Code
3 sections 10145(a), 10145(d)(1)(2), 10130, 10159.5, 10163, 10148, and Regulations of the Real
4 Estate Commissioner, Title 10, Chapter 6, California Code of Regulations ("Regulations") 2831,
5 2832, 2834, 2835(b), 2731, and 2715.

6 II.

7 The conduct, acts and/or omissions of Respondent MICHAEL TERRENCE
8 COBERY as set forth herein above in Paragraph 4, constitute cause for the suspension or
9 revocation of all real estate licenses and license rights of Respondent MICHAEL TERRENCE
10 COBERY pursuant to the provisions of Code section 10177, subdivisions (h) and (g), for
11 violation of Code sections 10159.2 and Regulation 2725.

12 ORDER

13 I.

14 All licenses and licensing rights of Respondent AMC-CA INCORPORATED
15 ("AMCCAI") under the Real Estate Law are suspended for a period of forty-five (45) days from
16 the effective date of this Decision and Order; provided, however, that:

17 1. Forty-five (45) days of said suspension shall be stayed, upon the condition that
18 Respondent AMCCAI petitions pursuant to Section 10175.2 of the Code and pays a monetary
19 penalty pursuant to Section 10175.2 of the Code at a rate of \$100.00 for each day of the
20 suspension for a total monetary penalty of \$4,500.00.

21 a) Said payment shall be in the form of a cashier's check made payable
22 to the Department of Real Estate. Said check must be delivered to the Department of Real
23 Estate, Attn: Flag Section, 651 Bannon Street, Suite 504, Sacramento, CA 95811, prior to
24

1 the effective date of this Decision and Order. Payment of investigation and enforcement
2 costs should not be made until the Stipulation has been approved by the Commissioner.

3 b) No further cause for disciplinary action against the Real Estate licenses of
4 Respondent AMCCAI occurs within two (2) years from the effective date of the Decision and
5 Order in this matter.

6 c) If Respondent AMCCAI fails to pay the monetary penalty in accordance
7 with the terms and conditions of this Decision and Order, the suspension shall go into effect
8 automatically. Respondent shall not be entitled to any repayment nor credit, prorated or
9 otherwise, for money paid to the Department under the terms of this Decision and Order.

10 d) If Respondent AMCCAI pays the monetary penalty and any other moneys
11 due under this Stipulation and Agreement and if no further cause for disciplinary action against
12 the real estate license of said Respondent occurs within two (2) years from the effective date of
13 this Decision and Order, the entire stay hereby granted pursuant to this Decision and Order, as to
14 said Respondent only, shall become permanent.

15 II.

16 All licenses and licensing rights of Respondent MICHAEL TERRENCE
17 COBERY ("COBERY") under the Real Estate Law are suspended for a period of forty-five (45)
18 days from the effective date of this Decision and Order; provided, however, that:

19 1. Forty-five (45) days of said suspension shall be stayed, upon the condition that
20 Respondent COBERY petitions pursuant to Section 10175.2 of the Code and pays a monetary
21 penalty pursuant to Section 10175.2 of the Code at a rate of \$100.00 for each day of the
22 suspension for a total monetary penalty of \$4,500.00.

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1 a) Said payment shall be in the form of a cashier's check made
2 payable to the Department of Real Estate. Said check must be delivered to the
3 Department of Real Estate, Attn: Flag Section, 651 Bannon Street, Suite 504, Sacramento,
4 CA 95811, prior to the effective date of this Decision and Order. Payment of investigation
5 and enforcement costs should not be made until the Stipulation has been approved by the
6 Commissioner.

7 b) No further cause for disciplinary action against the Real Estate
8 licenses of Respondent COBERY occurs within two (2) years from the effective date of the
9 Decision and Order in this matter.

10 c) If Respondent COBERY fails to pay the monetary penalty in accordance
11 with the terms and conditions of this Decision and Order, the suspension shall go into effect
12 automatically. Respondent shall not be entitled to any repayment nor credit, prorated or
13 otherwise, for money paid to the Department under the terms of this Decision and Order

14 d) If Respondent COBERY pays the monetary penalty and any other moneys
15 due under this Stipulation and Agreement and if no further cause for disciplinary action against
16 the real estate license of said Respondent occurs within two (2) years from the effective date of
17 this Decision and Order, the entire stay hereby granted pursuant to this Decision and Order, as to
18 said Respondent only, shall become permanent.

19 2. All licenses and licensing rights of Respondent COBERY are indefinitely
20 suspended unless or until Respondent COBERY provides proof satisfactory to the
21 Commissioner, of having taken and successfully completed the continuing education course on
22 trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section
23 10170.5 of the Business and Professions Code. Proof of satisfaction of these requirements
24 includes evidence that Respondent has successfully completed the trust fund account and

1 handling continuing education courses, no earlier than 120 days prior to the effective date of the
2 Decision and Order in this matter. **Proof of completion of the trust fund accounting and**
3 **handling course must be delivered to the Department of Real Estate, Attn: Flag Section,**
4 **651 Bannan Street, Suite 504, Sacramento, CA 95811, prior to the effective date of this**
5 **Decision and Order.**

6 3. Respondent COBERY shall, within six (6) months from the effective date of this
7 Decision and Order, take and pass the Professional Responsibility Examination administered by
8 the Department including the payment of the appropriate examination fee. If Respondent
9 COBERY fails to satisfy this condition, Respondent's real estate license shall automatically be
10 suspended until Respondent passes the examination.

11 III.

12 Respondents AMCCAI and COBERY agree to comply with the laws of the State
13 of California, including Bus. & Prof. Code section 10159.5 and section 2731 of the Code of
14 Regulations, Title 10, Chapter 6, California Code of Regulations, Regulations of the Real Estate
15 Commissioner, when using a fictitious business name in conjunction with their Department of
16 Real Estate-issued real estate license or licenses. Respondents' failure to comply with this
17 paragraph may result in the department, in its sole discretion, taking disciplinary action against
18 Respondents' real estate license or licenses.

19 IV.

20 All licenses and licensing rights of Respondents AMCCAI and COBERY are
21 indefinitely suspended unless or until Respondents AMCCAI and COBERY pay, severally or
22 jointly, the total sum of \$11,680.65 for the Commissioner's reasonable cost of the investigation
23 and enforcement which led to this disciplinary action. Said payment shall be in the form of a
24 cashier's check made payable to the Department of Real Estate. The investigative and

1 enforcement costs must be delivered to the Department of Real Estate, Attn: Flag Section, 651
2 Bannon Street, Suite 504, Sacramento, CA 95811, prior to the effective date of this Decision and
3 Order. **Payment of investigation and enforcement costs should not be made until the**
4 **Stipulation has been approved by the Commissioner.**

5 V.


6 Pursuant to Section 10148 of the Code, Respondents AMCCAI and COBERY
7 shall pay, severally or jointly, the total sum of \$14,535.00 for the Commissioner's cost of the
8 audit which led to this disciplinary action. **Respondents shall pay such cost within sixty (60)**
9 **days of receiving an invoice therefore from the Commissioner. Payment of audit costs**
10 **should not be made until Respondents receive the invoice.** If Respondents fail to satisfy this
11 condition in a timely manner as provided for herein, Respondents' real estate licenses shall
12 automatically be suspended until payment is made in full, or until a decision providing otherwise
13 is adopted following a hearing held pursuant to this condition.

14 VI.

15 Pursuant to Section 10148 of the Code, Respondents AMCCAI and COBERY
16 shall pay, severally or jointly, the Commissioner's reasonable costs for any subsequent audit
17 (said costs may not to exceed a maximum of \$18,168.75) to determine if Respondents have
18 corrected the violations found in the Determination of Issues. In calculating the amount of the
19 Commissioner's reasonable cost, the Commissioner may use the estimated average hourly salary
20 for all persons performing audits of real estate brokers, and shall include an allocation for travel
21 time to and from the auditor's place of work. **Respondents shall pay such cost within sixty**
22 **(60) days of receiving an invoice therefore from the Commissioner. Payment of the audit**
23 **costs should not be made until Respondents receive the invoice.** If Respondents fail to satisfy
24 this condition in a timely manner as provided for herein, Respondents' real estate licenses shall

1 automatically be suspended until payment is made in full, or until a decision providing otherwise
2 is adopted following a hearing held pursuant to this condition.

3
4 DATED: 4/10/25


Lisette Garcia, Counsel
Department of Real Estate

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6 * * *

7 EXECUTION OF THE STIPULATION

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

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

1 DATED:

4/9/25

[Redacted]

Respondent AMC-CA INCORPORATED

By (Printed Name):

[Redacted]

Title:

V.P.

[Redacted]

5 DATED:

4/8/25

Respondent MICHAEL TERRENCE COBERY

[Redacted]

7 DATED:

4/9/2025

Ginger Sotelo, Attorney for Respondents AMC-CA
Incorporated and Michael Terrence Cobery
Approved as to Form

11 The foregoing Stipulation and Agreement in Settlement and Order is hereby
12 adopted by me as my Decision in this matter and shall become effective at 12 o'clock noon
13 on **JUN 27 2025**

14 IT IS SO ORDERED

5/21/2025

15 Chika Sunquist
16 REAL ESTATE COMMISSIONER

[Redacted]

17 By: Marcus L. McCarther
18 Chief Deputy Real Estate Commissioner