

1 Bureau of Real Estate
2 320 West 4th Street, Ste. 350
3 Los Angeles, California 90013-1105
4 Telephone: (213) 576-6982

FILED
DEC 08 2015
BUREAU OF REAL ESTATE
By *[Signature]*

8 BEFORE THE BUREAU OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) BRE No. H-39728 LA
12) OAH No. 2015040879
13)
14 SITSEEFly, INC.; JEFFREY CARL AULT,)
15 individually and as designated officer of) STIPULATION AND
16 SitSeeFly, Inc.; and MICHAEL LEONIS, JR.,) AGREEMENT
17)
18 Respondents.)

17 It is hereby stipulated by and between Respondents SITSEEFly, INC.
18 (“SITSEEFly”) and MICHAEL LEONIS, JR. (“LEONIS”), individually and as the current
19 designated officer of SitSeeFly, Inc. (collectively “Respondents”), both represented by Frank
20 Buda, Esq., and the Complainant, acting by and through Diane Lee, Counsel for the Bureau of
21 Real Estate, as follows for the purpose of settling and disposing of the Accusation (“Accusation”)
22 filed on February 3, 2015, in this matter:

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

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

5 3. Respondents SITSEEFly and LEONIS filed Notices of Defense pursuant to
6 California Government Code section 11506 for the purpose of requesting a hearing on the
7 allegations in the Accusation. Respondents SITSEEFly and LEONIS hereby freely and
8 voluntarily withdraw said Notices of Defense. Respondents SITSEEFly and LEONIS
9 acknowledge that they understand that by withdrawing said Notices of Defense they thereby
10 waive their right to require the Commissioner to prove the allegations in the Accusation at a
11 contested hearing held in accordance with the provisions of the APA and that Respondents
12 SITSEEFly and LEONIS will waive other rights afforded to them in connection with the
13 hearing such as the right to present evidence in their defense and the right to cross-examine
14 witnesses.

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

21 5. This Stipulation is made for the purpose of reaching an agreed disposition of
22 this proceeding and is expressly limited to this proceeding and any other proceeding or case in
23 which the Bureau of Real Estate, the state or federal government, or any agency of this state, or
24 another state or federal government is involved.

25 6. It is understood by the parties that the Real Estate Commissioner may adopt
26 this Stipulation as his Decision in this matter thereby imposing the penalty and sanctions on the
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1 real estate licenses and license rights of Respondents SITSEEFly and LEONIS as set forth in
2 the below "Order." In the event that the Commissioner in his discretion does not adopt this
3 Stipulation, it shall be void and of no effect, and Respondents SITSEEFly and LEONIS shall
4 retain the right to a hearing and proceeding on the Accusation under the provisions of the APA
5 and shall not be bound by this Stipulation herein.

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

12 8. Respondents SITSEEFly and LEONIS understand that by agreeing to this
13 Stipulation, Respondents SITSEEFly and LEONIS agree to pay, pursuant to California Business
14 and Professions Code section 10106, fifty (50) percent of the cost of the investigation and
15 enforcement. The amount of total investigation and enforcement cost is \$1,610.00.

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17 DETERMINATION OF ISSUES

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

20 I.

21 The conduct, acts, or omissions of Respondent SITSEEFly, INC., as described in
22 the Accusation and Paragraph 4, above, are in violation of California Business and Professions
23 Code sections 10145, 10176(e), and 10177(g), and Title 10, Chapter 6 of the California Code of
24 Regulations, sections 2832(a) and 2834(b), and are a basis for discipline of SITSEEFly's
25 license and license rights as violation of the Real Estate Law pursuant to California Business and
26 Professions Code section 10176(e) and 10177(g).

1 II.

2 The conduct, acts, or omissions of Respondent MICHAEL LEONIS, JR., as
3 described in the Accusation and Paragraph 4, above, are in violation of California Business and
4 Professions Code section 10177(g), and are a basis for discipline of LEONIS's license and
5 license rights as violation of the Real Estate Law pursuant to California Business and Professions
6 Code section 10177(g).

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8 ORDER

9 WHEREFORE, THE FOLLOWING ORDER is hereby made:

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11 (SUSPENSION: SITSEEFly, INC.)

12 I.

13 All licenses and licensing rights of Respondent SITSEEFly under the Real Estate
14 Law are suspended for a period of ninety (90) days, from the effective date of this Decision and
15 Order, provided, however, that:

16 1. Thirty (30) days of said suspension shall be stayed, upon the condition that
17 SITSEEFly petitions pursuant to California Business and Professions Code section 10175.2 and
18 pays a monetary penalty pursuant to California Business and Professions Code section 10175.2 at
19 a rate of \$100.00 for each day of the suspension for a total monetary penalty of \$3,000.00.

20 a. Said payment shall be in the form of a cashier's check made payable to the
21 Bureau of Real Estate. Said check must be delivered to the Bureau of Real Estate, Flag Section
22 at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and
23 Order.

24 b. No further cause for disciplinary action against the Real Estate licenses of
25 Respondent SITSEEFly occurs within two (2) years from the effective date of the Decision and
26 Order in this matter.

1 c. If SITSEEFly fails to pay the monetary penalty in accordance with the terms
2 and conditions of this Decision and Order, the suspension shall go into effect automatically.
3 Respondent shall not be entitled to any repayment nor credit, prorated or otherwise, for money
4 paid to the Bureau under the terms of this Decision and Order.

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

10 2. The remaining sixty (60) days of said suspension shall be stayed for two (2)
11 years upon the following terms and conditions:

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

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

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1 (SUSPENSION: MICHAEL LEONIS, JR.)

2 II.

3 All licenses and licensing rights of Respondent LEONIS under the Real Estate
4 Law are suspended for a period of forty-five (45) days, from the effective date of this Decision
5 and Order, provided, however, that:

6 1. Fifteen (15) days of said suspension shall be stayed, upon the condition that
7 LEONIS petitions pursuant to California Business and Professions Code section 10175.2 and
8 pays a monetary penalty pursuant to California Business and Professions Code section 10175.2 at
9 a rate of \$100.00 for each day of the suspension for a total monetary penalty of \$1,500.00.

10 a. Said payment shall be in the form of a cashier's check made payable to the
11 Bureau of Real Estate. Said check must be delivered to the Bureau of Real Estate, Flag Section
12 at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and
13 Order.

14 b. No further cause for disciplinary action against the Real Estate licenses of
15 Respondent LEONIS occurs within two (2) years from the effective date of the Decision and
16 Order in this matter.

17 c. If LEONIS fails to pay the monetary penalty in accordance with the terms and
18 conditions of this Decision and Order, the suspension shall go into effect automatically.

19 Respondent shall not be entitled to any repayment nor credit, prorated or otherwise, for money
20 paid to the Bureau under the terms of this Decision and Order.

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

26 2. The remaining thirty (30) days of said suspension shall be stayed for two (2)
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1 years upon the following terms and conditions:

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

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

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11 (INVESTIGATION AND ENFORCEMENT COSTS: ALL RESPONDENTS)

12 III.

13 Pursuant to California Business and Professions Code section 10106,
14 Respondents SITSEEFly and LEONIS as well as Respondent Jeffrey Carl Ault ("Ault") shall
15 pay the Commissioner's reasonable cost for investigation and enforcement of the matter. The
16 investigation and enforcement cost which led to this disciplinary action is \$1,610.00.

17 Respondents SITSEEFly and LEONIS shall pay, jointly and severally, fifty (50) percent of
18 \$1,610.00, which is \$805.00. Said payment shall be made within sixty (60) days after the
19 effective date of this Decision. Said payment shall be in the form of a cashier's check made
20 payable to the Bureau of Real Estate at: Bureau of Real Estate, Flag Section, P.O. Box 137013,
21 Sacramento, CA 95813-7013.

22 The Commissioner shall suspend the licenses of Respondents SITSEEFly and
23 LEONIS pending a hearing held in accordance with California Government Code section 11500,
24 et seq., if payment is not timely made as provided for herein. The suspension shall remain in
25 effect until payment is made in full or until Respondents SITSEEFly and LEONIS enter into an
26 agreement satisfactory to the Commissioner to provide for payment, or until a decision providing

1 otherwise is adopted following a hearing held pursuant to this condition.

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3 (AUDIT COSTS: ALL RESPONDENTS)

4 IV.

5 Pursuant to California Business and Professions Code section 10148, Respondent
6 SITSEEFly and Respondent Ault shall each pay \$2,325.07 for the Commissioner's cost of the
7 audit which led to this disciplinary action. Respondent SITSEEFly shall pay this \$2,325.07
8 within sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of
9 audit costs should not be made until Respondent SITSEEFly receives the invoice. If
10 Respondent SITSEEFly fails to satisfy this condition in a timely manner as provided for herein,
11 the real estate license of Respondent SITSEEFly shall automatically be suspended until
12 payment is made in full, or until a decision providing otherwise is adopted following a hearing
13 held pursuant to this condition.

14 Pursuant to California Business and Professions Code section 10148, Respondents
15 SITSEEFly and LEONIS shall pay, jointly and severally, the Commissioner's reasonable cost,
16 not to exceed \$4,650.14, for an audit to determine if Respondent SITSEEFly has corrected the
17 violations found in the Determination of Issues. In calculating the amount of the
18 Commissioner's reasonable cost, the Commissioner may use the estimated average hourly salary
19 for all persons performing audits of real estate broker(s), and shall include an allocation for travel
20 time to and from the auditor's place of work. Respondents SITSEEFly and LEONIS shall pay
21 such cost, jointly and severally, within sixty (60) days of receiving an invoice therefore from the
22 Commissioner. Payment of the audit costs should not be made until Respondents SITSEEFly
23 and LEONIS receive the invoice. If Respondents SITSEEFly and LEONIS fail to satisfy this
24 condition in a timely manner as provided for herein, the real estate licenses of Respondents
25 SITSEEFly and LEONIS shall automatically be suspended until payment is made in full, or
26 until a decision providing otherwise is adopted following a hearing held pursuant to this
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1 condition.

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3 (CONTINUING EDUCATION: LEONIS)

4 V.

5 Respondent LEONIS shall, within nine (9) months from the effective date of this
6 Decision and Order, present evidence satisfactory to the Commissioner that Respondent LEONIS
7 has, since the most recent issuance of an original or renewal real estate license, taken and
8 successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the
9 Real Estate Law for renewal of a real estate license. If Respondent LEONIS fails to satisfy this
10 condition, Respondent LEONIS's real estate license shall automatically be suspended until
11 Respondent LEONIS presents evidence satisfactory to the Commissioner of having taken and
12 successfully completed the continuing education requirements. Proof of completion of the
13 continuing education courses must be delivered to the Bureau of Real Estate, Flag Section at P.O.
14 Box 137013, Sacramento, CA 95813-7013.

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16 (PROFESSIONAL RESPONSIBILITY EXAM: LEONIS)

17 VI.

18 Respondent LEONIS shall, within six (6) months from the effective date of this
19 Decision and Order, take and pass the Professional Responsibility Examination administered by
20 the Bureau of Real Estate including the payment of the appropriate examination fee. If
21 Respondent LEONIS fails to satisfy this condition, Respondent LEONIS's real estate license
22 shall automatically be suspended until Respondent LEONIS passes the examination.

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24 DATED: 10/30/2015

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26 DIANE LEE, Counsel for
27 Bureau of Real Estate

1 * * *

2 EXECUTION OF THE STIPULATION

3 I, MICHAEL LEONIS, JR., individually and as the current designated officer of
4 SitSeeFly, Inc., have read the Stipulation and discussed it with my attorney, Frank Buda, Esq. Its
5 terms are understood by me, and are agreeable and acceptable to me and SITSEEFly, INC. I
6 understand that I am waiving rights given to me and SITSEEFly, INC. by the California APA
7 (including, but not limited to, California Government Code sections 11506, 11508, 11509, and
8 11513), and I, individually and as designated officer of SitSeeFly, Inc., willingly, intelligently,
9 and voluntarily waive those rights, including, but not limited to, the right of requiring the
10 Commissioner to prove the allegations in the Accusation at a hearing at which I, individually and
11 as designated officer of SitSeeFly, Inc., would have the right to cross-examine witnesses against
12 me and SITSEEFly, INC. and to present evidence in defense and mitigation of the charges.
13

14 MAILING AND FACSIMILE

15 Respondents SITSEEFly and LEONIS (1) shall mail the original signed
16 signature page of this Stipulation herein to Bureau of Real Estate, Attention: Legal Section –
17 Diane Lee, 320 West Fourth Street, Suite 350, Los Angeles, California 90013-1105.
18 Respondents SITSEEFly and LEONIS shall also (2) facsimile a copy of signed signature page,
19 to the Bureau of Real Estate at the following telephone/fax number: (213) 576-6917, Attention:
20 Diane Lee.

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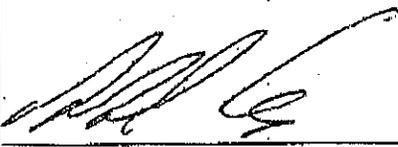
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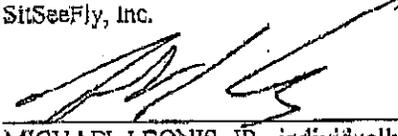
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A facsimile constitutes acceptance and approval of the terms and conditions of this Stipulation. Respondents SITSEEFly and LEONIS agree, acknowledge, and understand that by electronically sending to the Bureau of Real Estate a facsimile copy of the actual signatures of Respondents SITSEEFly and LEONIS as it appear on the Stipulation that receipt of the facsimile copy by the Bureau of Real Estate shall be as binding on Respondents SITSEEFly and LEONIS as if the Bureau of Real Estate had received the original signed Stipulation.

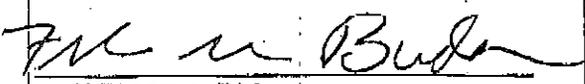
DATED: 10-30-15


MICHAEL LEONIS, JR., as designated officer of SitSeeFly, Inc.

DATED: 10-30-15


MICHAEL LEONIS, JR., individually

DATED: 10-30-15


FRANK BUDA, ESQ.
Attorney for Respondents SITSEEFly, INC. and MICHAEL LEONIS, JR.

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents SITSEEFly, INC. and MICHAEL LEONIS, JR., and shall become effective at 12 o'clock noon on _____, 2015.

IT IS SO ORDERED _____, 2015.

REAL ESTATE COMMISSIONER

1 A facsimile constitutes acceptance and approval of the terms and conditions of
2 this Stipulation. Respondents SITSEEFly and LEONIS agree, acknowledge, and understand
3 that by electronically sending to the Bureau of Real Estate a facsimile copy of the actual
4 signatures of Respondents SITSEEFly and LEONIS as it appear on the Stipulation that receipt
5 of the facsimile copy by the Bureau of Real Estate shall be as binding on Respondents
6 SITSEEFly and LEONIS as if the Bureau of Real Estate had received the original signed
7 Stipulation.

8
9 DATED: _____
10 _____
11 MICHAEL LEONIS, JR., as designated officer of
12 SitSeeFly, Inc.

13 DATED: _____
14 _____
15 MICHAEL LEONIS, JR., individually

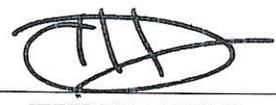
16 DATED: _____
17 _____
18 FRANK BUDA, ESQ.
19 Attorney for Respondents SITSEEFly, INC. and
20 MICHAEL LEONIS, JR.

21 * * *

22 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
23 Respondents SITSEEFly, INC. and MICHAEL LEONIS, JR., and shall become effective at 12
24 o'clock noon on **DEC 28 2015**, 2015.

25 IT IS SO ORDERED **DECEMBER 1**, 2015.

26 WAYNE S. BELL
27 REAL ESTATE COMMISSIONER



By: JEFFREY MASON
Chief Deputy Commissioner

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