

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

**FILED**

APR 10 2020

DEPT. OF REAL ESTATE

By *Zoi Yu*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\*\*\*

10 In the Matter of the Accusation of )  
11 )  
12 LOIS LAUER INC and )  
13 )  
14 DAVID G. COY, as designated officer of )  
15 Lois Lauer Inc )  
16 )  
17 Respondents. )

No. H-41522 LA

STIPULATION  
AND  
AGREEMENT

18 It is hereby stipulated by and between Respondents LOIS LAUER INC ("LLI")  
19 and DAVID G. COY ("COY") represented by Timothy S. Camarena, Esq. of RELAW, APC and  
20 the Complainant, acting by and through Julie L. To, Counsel for the Department of Real Estate  
21 ("Department" or "DRE"), as follows for the purpose of  
22 settling and disposing of the Accusation filed on October 16, 2019 in Case No. H-41522 LA, in  
23 this matter.

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

6                   2. Respondents have received, read and understand the Statement to Respondent,  
7 the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate  
8 ("Department") in this proceeding.

9                   3. On October 29, 2019, Respondents timely filed Notices of Defense pursuant to  
10 Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations  
11 in the Accusation. Respondents hereby freely and voluntarily withdraw said Notices of Defense.  
12 Respondents acknowledge that they understand that by withdrawing said Notices of Defense they  
13 thereby waive their right to require the Commissioner to prove the allegations in the Accusation  
14 at a contested hearing held in accordance with the provisions of the APA and that they will waive  
15 other rights afforded to them in connection with the hearing such as the right to present evidence  
16 in their defense and the right to cross-examine witnesses.

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

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1                   5. This Stipulation is made for the purpose of reaching an agreed disposition of  
2 this proceeding and is expressly limited to this proceeding and any other proceeding or case in  
3 which the Department or another licensing agency of this state, another state, or if the federal  
4 government is involved, and otherwise shall not be admissible in any other criminal or civil  
5 proceeding.

6                   6. It is understood by the parties that the Real Estate Commissioner may adopt  
7 this Stipulation as the Commissioner's Decision in this matter, thereby imposing the penalty and  
8 sanctions on Respondents' real estate licenses and license rights as set forth in below "Order." In  
9 the event that the Commissioner in his discretion does not adopt the Stipulation and Agreement,  
10 the Stipulation shall be void and of no effect and Respondents shall retain the right to a hearing  
11 and proceeding on the Accusation under the provisions of the APA and shall not be bound by any  
12 admission or waiver made herein.

13                   7. The Order or any subsequent Order of the Real Estate Commissioner made  
14 pursuant to this Stipulation shall not constitute an estoppel, merger or bar to any further  
15 administrative or civil proceedings by the Department of Real Estate with respect to any matters  
16 which were not specifically alleged to be causes for Accusation in this proceeding but do  
17 constitute a bar, estoppel and merger as to any allegations actually contained in the Accusations  
18 against Respondents herein.

19                   8. Respondents understand that by agreeing to this Stipulation, Respondents agree  
20 to pay, pursuant to Business and Professions Code ("Code") Section 10148, the cost of the audit  
21 which resulted in the determination that Respondents committed the violations found in the  
22 Determination of Issues. The amount of said costs for the original audit (LA 170161) is  
23 \$10,720.25. Respondents agree to pay, pursuant to Code Section 10148, \$10,720.25 for the cost  
24 of Audit LA 170161.

1                   9. Respondents have received, read, and understand the "Notice Concerning  
2 Costs of Subsequent Audit." Respondents further understand that by agreeing to this Stipulation,  
3 the findings set forth below in the Determination of Issues become final, and the Commissioner  
4 may charge Respondents for the cost of any subsequent audit conducted pursuant to Code  
5 Section 10148 to determine if the violations have been corrected. The maximum cost of the  
6 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 \$10,720.25, and the maximum  
8 cost of the follow-up audit ( $\$10,720.25 \times 125\%$ ) will not exceed \$13,400.31. Therefore,  
9 Respondents agree to pay, pursuant to Code Section 10148, a maximum of \$13,400.31 for the  
10 cost of any follow-up audit to determine if the violations in the original audit have been  
11 corrected.

12                   10. Respondents understand that by agreeing to this Stipulation, Respondents  
13 agree to pay, pursuant to Code Section 10106, the Commissioner's cost of the investigation and  
14 enforcement which resulted in the determination that Respondents committed the violations  
15 found in the Determination of Issues. The amount of said investigation and enforcement costs is  
16 \$618.55; therefore, Respondents agree to pay, pursuant to Code Section 10106, the amount  
17 \$618.55.

#### 18   DETERMINATION OF ISSUES

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

22                   The conduct, acts or omissions of Respondents LLI and COY, as described in  
23 Paragraph 4, herein above, are in violation of: Code Section 10145 and Regulations 2832.1,  
24 2950(g), and 2951; Code Section 10145 and Regulations 2831.1, 2950(d), and 2951; Code  
25 Section 10145 and Regulations 2832 and 2951; Code Section 10159.5 and Regulation 2731;

1 Code Sections 10145, 10176(i), and 10177(j) and Regulation 2950(g); Regulation 2950(h); Code  
2 Section 10141.6; [COY only] Code Sections 10159.2 and 10177(h) and Regulation 2725; and  
3 Code Sections 10177(g) and 10177(h).

4 **ORDER**

5 **WHEREFORE, THE FOLLOWING ORDER is hereby made:**

6 **I.**

7 **All licenses and licensing rights of Respondents LOIS LAUER INC and DAVID**  
8 **G. COY under the Real Estate Law are suspended for a period of ninety (90) days from the**  
9 **effective date of this Decision and Order; provided, however, that:**

10 **1. All ninety (90) days of said suspension shall be stayed for two (2) years upon**  
11 **the following terms and conditions:**

- 12 **a) Respondents shall obey all laws, rules and regulations governing the**  
13 **rights, duties and responsibilities of a real estate licensee in the State of**  
14 **California; and,**
- 15 **b) That no final subsequent determination be made, after hearing or upon**  
16 **stipulation, that cause of disciplinary action occurred within two (2) years**  
17 **from the effective date of this Decision and Order. Should such a**  
18 **determination be made, the Commissioner may, in his discretion, vacate**  
19 **and set aside the stay order and reimpose all or a portion of the stayed**  
20 **suspension. Should no such determination be made, the stay imposed**  
21 **herein shall become permanent.**

22 **///**  
23 **///**  
24 **///**  
25 **///**

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1                   2. Pursuant to Section 10148 of the Code, Respondents LLI and COY shall pay  
2 the sum of \$10,720.25 for the Commissioner's cost of the audit which led to this disciplinary  
3 action. Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore  
4 from the Commissioner. Payment of audit costs should not be made until Respondents receive  
5 the invoice. If Respondents fail to satisfy this condition in a timely manner as provided for  
6 herein, Respondents' real estate licenses shall automatically be suspended until payment is made  
7 in full, or until a decision providing otherwise is adopted following a hearing held pursuant to  
8 this condition.

9                   3. Pursuant to Section 10148 of the Code, Respondents LLI and COY shall pay  
10 the Commissioner's reasonable cost, not to exceed \$13,400.31 [or, 125% of the original audit  
11 cost], for a subsequent audit to determine if Respondents have corrected the violations found in  
12 the Determination of Issues. In calculating the amount of the Commissioner's reasonable cost,  
13 the Commissioner may use the estimated average hourly salary for all persons performing audits  
14 of real estate brokers, and shall include an allocation for travel time to and from the auditor's  
15 place of work. Respondents shall pay such cost within sixty (60) days of receiving an invoice  
16 therefore from the Commissioner. Payment of the audit costs should not be made until  
17 Respondents receive the invoice. If Respondents fail to satisfy this condition in a timely manner  
18 as provided for herein, Respondents' real estate licenses shall automatically be suspended until  
19 payment is made in full, or until a decision providing otherwise is adopted following a hearing  
20 held pursuant to this condition.

21                   4. All licenses and licensing rights of Respondents LLI and COY are indefinitely  
22 suspended unless or until Respondents LLI and COY jointly and severally pay the sum of  
23 \$618.55 for the Commissioner's reasonable cost of the investigation and enforcement which led  
24 to this disciplinary action. Said payment shall be in the form of a cashier's check or certified  
25 check made payable to the Department of Real Estate. The investigation and enforcement costs  
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1 must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013,  
2 Sacramento, CA 95813-7013, prior to the effective date of this Decision and Order.

3  
4 DATED: 7-2-2020

  
Julie L. To, Counsel for  
Department of Real Estate

6 \* \* \*

7 EXECUTION OF THE STIPULATION

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

15 MAILING AND FACSIMILE


16 Respondents can signify acceptance and approval of the terms and conditions of  
17 this Stipulation and Agreement by sending a hard copy of the original signed signature page of  
18 the Stipulation herein to Julie L. To, Legal Section, Department of Real Estate, 320 W. Fourth  
19 St., Suite 350, Los Angeles, California 90013-1105. In the event of time constraints before an  
20 administrative hearing, Respondents can signify acceptance and approval of the terms and  
21 conditions of this Stipulation and Agreement by e-mailing a scanned copy of the signature page,  
22 as actually signed by Respondents, to the Department counsel assigned to this case. Respondents  
23 agree, acknowledge, and understand that by electronically sending to the Department a scan of  
24 Respondents' actual signatures as they appear on the Stipulation and Agreement, that receipt of  
25 the scan by the Department shall be binding on Respondents as if the Department had received  
26

1 the original signed Stipulation and Agreement.

2 DATED: 2/27/20

  
\_\_\_\_\_  
DAVID G. COY, Respondent


4 DATED: 2/27/20

  
\_\_\_\_\_  
LOIS LAUER INC, Respondent  
By: DAVID G. COY, Designated Officer

8 \* \* \*

9 *I have reviewed the Stipulation and Agreement as to form and content and have*  
10 *advised my clients accordingly.*


11 DATED: 2/28/20

  
\_\_\_\_\_  
Timothy Camarena, Esq.  
Attorney for Respondents

13 \* \* \*

14 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to  
15 Respondents LOIS LAUER INC and DAVID G. COY, individually and as designated officer of  
16 LOIS LAUER INC, and shall become effective at 12 o'clock noon on MAY 11 2020  
17 2019.

18 IT IS SO ORDERED 3/2/20, 2020.

20 SANDRA KNAU  
21 ACTING REAL ESTATE COMMISSIONER  
  
\_\_\_\_\_