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**FILED**  
JUL 26 1994  
DEPARTMENT OF REAL ESTATE

By *Jana B. Jones*

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DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of )	NO. H-935 SA
	) L-49517
PATRICK JAMES KNAPP )	
	)
Respondent. )	
_____ )	

ORDER GRANTING REINSTATEMENT OF LICENSE

On April 12, 1990, a Decision, later modified by an Order Nunc Pro Tunc dated August 17, 1990, was rendered herein revoking the real estate salesperson license of Respondent, PATRICK JAMES KNAPP (hereinafter "Respondent"), effective May 22, 1990, but granting Respondent the right to apply for and be issued a restricted real estate salesperson license. Said restricted license was issued on or about August 28, 1990.

On October 20, 1993, Respondent petitioned for reinstatement of said real estate salesperson license, and the Attorney General of the State of California has been given notice of the filing of said petition.

1 I have considered Respondent's petition and the  
2 evidence and arguments in support thereof. Respondent has  
3 demonstrated to my satisfaction that grounds do not presently  
4 exist to deny the issuance of an unrestricted real estate  
5 salesperson license to Respondent.

6 NOW, THEREFORE, IT IS ORDERED that Respondent's  
7 petition for reinstatement is granted and that an  
8 unrestricted real estate salesperson license be issued to  
9 Respondent, PATRICK JAMES KNAPP after Respondent satisfies  
10 the following conditions within one (1) year from the date of  
11 this Order:

- 12 1. Submittal of a completed application and  
13 payment of the fee for a real estate salesperson license.
- 14 2. Submittal of evidence satisfactory to the Real  
15 Estate Commissioner that Respondent has, August 28, 1991,  
16 taken and successfully completed the continuing education  
17 requirements of Article 2.5 of Chapter 3 of the Real Estate  
18 Law for renewal of a real estate license.

19 This Order shall become effective immediately.

20 DATED: July 20, 1994.

21  
22 JOHN R. LIBERATOR  
Interim Commissioner

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25 PATRICK JAMES KNAPP  
26 25181 Via Terracina  
Laguna Niguel, California 92656

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FILED

AUG 22 1990

DEPARTMENT OF REAL ESTATE  
BY Barbara B. [Signature]

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of	)	No. H-935 SA
	)	L-49517
PATRICK JAMES KNAPP,	)	
	)	
Respondent.	)	
_____	)	

ORDER NUNC PRO TUNC MODIFYING DECISION

It having been called to the attention of the Real Estate Commissioner that there are errors in the Decision dated April 12, 1990, effective May 22, 1990, and good cause appearing therefor, the decision is amended as follows:

The first (unnumbered) paragraph of the Order is amended to read as follows:

"The real estate salesperson's license issued to respondent Patrick James Knapp is revoked. However, a restricted real estate salesperson's license shall be issued to respondent pursuant to Business and Professions Code Section 10156.5 if respondent makes application therefor within 180 days from the effective date of this Decision. The restricted

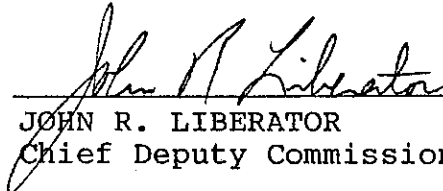
1 license shall be subject to all the provisions of Business and  
2 Professions Code Section 10156.7, and to the following limita-  
3 tions, conditions and restrictions imposed under the authority  
4 of Section 10156.6 of the Code:"

5 This Order, nunc pro tunc to April 12, 1990, shall  
6 become effective at 12 o'clock noon on May 22, 1990.

7 IT IS SO ORDERED August 17, 1990.

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JAMES A. EDMONDS, JR.  
Real Estate Commissioner

By:   
JOHN R. LIBERATOR  
Chief Deputy Commissioner

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DEPARTMENT OF REAL ESTATE

FORM-2 1980

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE  
BY *Sandra B. O'Neil*

\* \* \* \*

In the Matter of the Accusation of )  
 )  
PATRICK JAMES KNAPP, )  
 )  
 )  
Respondent. )  
\_\_\_\_\_ )

NO. H- 935 SA  
L- 49517

DECISION

The Proposed Decision dated March 29, 1990 of the Administrative Law Judge of the Office of Administrative Hearings, is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

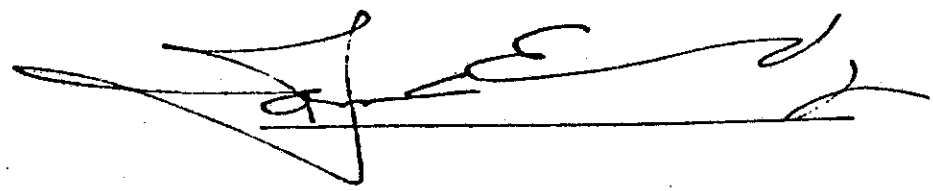
The Decision suspends or revokes one or more real estate licenses on grounds of (the conviction of a crime/knowingly making a false statement of fact required to be revealed in an application for license).

The right to reinstatement of a revoked real estate license or to the reduction of a suspension is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

This Decision shall become effective at 12 o'clock noon on May 22, 1990.

IT IS SO ORDERED 4-12-90

JAMES A. EDMONDS, JR.  
Real Estate Commissioner



DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation )  
Against: )  
 ) H-935 SA  
PATRICK JAMES KNAPP, )  
 ) L-49517  
Respondent. )  
\_\_\_\_\_ )

PROPOSED DECISION

On March 21, 1990, Richard E. Ranger, Administrative Law Judge of the Office of Administrative Hearings, State of California, heard this case at Los Angeles.

James R. Peel, Counsel, represented complainant.

Patrick James Knapp, assisted by Richard Rafferty, real estate broker, represented himself.

Evidence was received, the issues were argued, and the case was submitted for decision.

FINDINGS OF FACT

1. Thomas McCrady, complainant, made and filed the accusation on January 18, 1990 in his official capacity as a Deputy Real Estate Commissioner, Department of Real Estate, State of California.

2. In January 1989, respondent Patrick James Knapp, 24, submitted an application to the Department of Real Estate (Department) for a real estate salesperson's license. In his application, respondent was asked in question no. 25 whether he had ever been convicted of any violation of law. Respondent answered, "No." On February 17, 1989, the Department issued a salesperson's license to respondent. The license will expire on February 16, 1993.

3. Respondent's answer to the violation of law question in his application for license was false. On October 13, 1988, in the Municipal Court, County of Orange, State of California, in Case no. WEW 159942, respondent pled guilty to a misdemeanor charge of violating Penal Code section 487.1 (Grand Theft Property). Imposition of sentence was suspended and respondent was placed on summary probation for three (3) years on terms and conditions including 100 hours of community service in lieu of fine or jail, \$25.00 to State restitution fund, and obedience to

laws. Respondent has complied with the terms and conditions of his probation and is currently in the full-time employ of a real estate firm in Fountain Valley. He performed his community service at a senior day care center in Anaheim.

4. The facts and circumstances of respondent's offense are that on January 13, 1988, respondent went into a commercial business store in Orange County, loaded a shopping cart with a video cassette recorder and a typewriter, affixed a fake receipt to the items, and rolled the cart out the door without paying for the merchandise, valued at approximately \$540.00. Respondent was arrested outside the store by security officers.

5. Respondent is a May 1989 bachelor's graduate of California State University at Long Beach. He has been employed by his current broker since May 1989, and prior to that was employed as a salesperson with a different broker from February 1989 to May 1989. From December 1983 to April 1989, respondent was employed at Disneyland as a waiter. He was working while attending college and continued working and attending college after his guilty plea to the grand theft charge. Currently respondent is unmarried and maintains his own apartment. At the time of his offense he was residing with his mother. Respondent's explanation for his offense is that he was coaxed into the attempt to take the items by a friend who also provided the fake receipt respondent used, and that the items taken from the store were intended to be turned over to the friend. Respondent owned a VCR and typewriter at the time and did not need the merchandise he attempted to take.

6. Respondent has no ready answer to the question of why he did not disclose the conviction in his application for licensing. It appears that he was embarrassed by the offense and believed his license would not be issued if he disclosed the conviction on his application. There is no evidence that respondent discussed his conviction prior to licensing with anyone at the Department or sought out information on the likelihood of a license being issued where there has been a misdemeanor conviction in the past.

7. In February 1988 subsequent to his arrest, respondent treated with a psychologist, Ronald Malloy, Ph.D., about the problems which led to respondent's arrest in January 1988. He believes they were rooted in respondent's family situation involving the divorce of his parents, his attempts to work and graduate from college, and the peer pressure of his friends.

8. Respondent's licensing is supported by a number of relatives and friends, and particularly by Richard Rafferty, respondent's present employing broker in Fountain Valley. Rafferty believes respondent is honest and truthful and has done an excellent job as a salesperson with his Rafferty & Lloyd firm and will continue to do so in the future.

DETERMINATION OF ISSUES

Cause exists pursuant to Business and Professions Code section 490, 10177(a), and 10177(b) to suspend or revoke respondent's license in that he has been convicted of a moral turpitude crime substantially related to the qualifications, functions, and duties of a real estate licensee, and failed to disclose the conviction in his application for licensing. However, respondent presents significant evidence of rehabilitation and it would not be against the public interest to issue a probationary license to respondent on terms and conditions.

ORDER

*Modified*

The real estate salesperson's license issued to respondent Patrick James Knapp is revoked. However, a restricted real estate salesperson's license shall be issued to respondent pursuant to Business and Professions Code section 10156.5 if respondent makes application therefor within thirty (30) days from the effective date of this Decision. The restricted license shall be subject to all the provisions of Business and Professions Code section 10156.7, and to the following limitations, conditions and restrictions imposed under the authority of section 10156.6. of the Code:

1. The restricted license may be suspended prior to hearing by order of the Real Estate Commissioner in the event of respondent's conviction or plea of nolo contendere to a crime which bears a substantial relation to respondent's qualifications, functions, or duties as a real estate licensee, or respondent's failure to complete probation in case no. WEW 59942.
2. The restricted license issued to respondent may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner, or conditions attaching to the restricted license.
3. Respondent shall, within twelve (12) months from the effective date of the Decision, present evidence satisfactory to the Real Estate Commissioner that he has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until the respondent presents such evidence. The Commissioner shall afford respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.




4. Respondent shall submit with his application for a restricted license under an employing broker, or any application for transfer to a new employing broker, a statement signed by the prospective employing broker which shall certify:

- (1) That the broker has read the Decision of the Commissioner which granted the right to a restricted license; and,
- (2) That the employing real estate broker will exercise close supervision over the performance by the restricted licensee relating to activities for which a real estate license is required.

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

DATED: MAR. 29, 1990

  
RICHARD E. RANGER  
Administrative Law Judge

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JAMES R. PEEL, Counsel  
Department of Real Estate  
107 South Broadway, Room 8107  
Los Angeles, CA 90012  
(213) 620-4790

JUN 13 1999  
DEPARTMENT OF REAL ESTATE  
*James B. O'Connell*

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of ) NO. H-935 SA  
PATRICK JAMES KNAPP, ) A C C U S A T I O N  
Respondent. )

The Complainant, Thomas McCrady, a Deputy Real Estate  
Commissioner of the State of California, for cause of accusation  
against PATRICK JAMES KNAPP, alleges as follows:

I

The Complainant, Thomas McCrady, a Deputy Real Estate  
Commissioner of the State of California, makes this accusation in  
his official capacity.

II

PATRICK JAMES KNAPP (hereinafter referred to as  
respondent) is presently licensed and/or has license rights under  
the Real Estate Law (Part 1 of Division 4 of the Business and  
Professions Code, hereinafter Code).

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III

On or about February 17, 1989, respondent made application to the Department of Real Estate to be licensed as a real estate salesperson and in response to a question in said application concerning his prior criminal record, respondent represented to the Department that he had never been convicted of any violation of law.

IV

In truth respondent had previously been convicted of a crime in that on or about October 13, 1988, in the Municipal Court, County of Orange, State of California, respondent was convicted of the crime of violating Penal Code Section 487.1 (grand theft) a crime involving moral turpitude.

V

Based upon respondent's false representation to the Department of Real Estate, respondent was issued a real estate salesperson license by the Department on or about February 17, 1989.

VI

Respondent's false and fraudulent conduct as alleged above subjects his real estate license to suspension or revocation pursuant to Sections 490 and 10177(a) of the Business and Professions Code.

VII

Respondent's criminal conviction is cause under Sections 490 and 10177(b) of the Business and Professions Code for suspension or revocation of all licenses and license rights under

1 the Real Estate Law.

2

3 WHEREFORE, complainant prays that a hearing be conducted  
4 on the allegations of this Accusation and that upon proof thereof,  
5 a decision be rendered imposing disciplinary action against all  
6 licenses and license rights of respondent PATRICK JAMES KNAPP  
7 under the Real Estate Law (Part 1 of Division 4 of the Business  
8 and Professions Code) and for such other and further relief as may  
9 be proper under other applicable provisions of law.

10 Dated at Santa Ana, California  
11 this 18th day of January, 1990.

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THOMAS MCCRADY

Deputy Real Estate Commissioner

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cc: Patrick James Knapp  
Rafferty & Lloyd  
Sacto.  
BSV

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