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FILED
JAN 26 2005

DEPARTMENT OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	NO. H-27701 LA
)	
STEVE E. CARTER,)	
)	
Respondent.)	
)	

ORDER DENYING REINSTATEMENT OF LICENSE

On December 7, 1998, an Order was rendered herein accepting Respondent's petition for voluntary surrender of his real estate broker license. Said Order was effective February 8, 1999.

On or about June 16, 2000, Respondent petitioned for reinstatement of said license. On January 31, 2001, an Order Denying Reinstatement of License was rendered. Said Order denied Respondent's petition pursuant to Section 2911(a), Title 10, Chapter 6, California Code of Regulations ("Regulations").

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1 Respondent, in his Declaration of Petition to
2 Surrender Real Estate License, stated that all allegations
3 contained in Accusation H-27701 LA may be considered by the
4 Department to be true and correct for the purpose of deciding
5 whether or not to grant reinstatement of his license.

6 II

7 The burden of proving rehabilitation rests with the
8 petitioner (Feinstein v. State Bar (1952) 39 Cal. 2d 541).

9 A petitioner is required to show greater proof of honesty and
10 integrity than an applicant for first time licensure. The proof
11 must be sufficient to overcome the prior adverse judgment on the
12 applicant's character (Tardiff v. State Bar (1980) 27 Cal. 3d
13 395).

14 The Department has developed criteria in Regulation
15 2911 to assist in evaluating the rehabilitation of an applicant
16 for reinstatement of a license. Among the criteria relevant in
17 this proceeding are:

18 2911 (k) - Correction of business practices resulting
19 in injury to others or with the potential to cause such injury.
20 Respondent has failed to show that he has corrected his business
21 practices. Respondent is the owner of Canyon Mortgage, Inc.,
22 a licensed real estate corporation. On October 7, 2003, a
23 Department of Real Estate (DRE) audit of Canyon Mortgage, Inc.
24 was conducted. The audit revealed violations of Business and
25 Professions Code ("Code") Section 10236.4 (failure to disclose
26 DRE license information number) and Code Section 10240(c)
27

1 (failure to maintain Mortgage Loan Disclosure Statements on
2 file).

3 2911 (1) - Significant or conscientious involvement
4 in community, church or social programs. Respondent has not
5 provided proof of involvement in such programs.

6 2911 (n) (1) - Change in attitude from that which
7 existed at the time of the conduct in question as evidenced
8 by the testimony of Respondent. Respondent has not evidenced
9 such change by the following:

10 In response to question number 11. of the Petition
11 Application, to wit: "Property Owned" - "Own other property
12 of substantial value", Respondent failed to disclose the
13 ownership of Canyon Mortgage, Inc., a licensed real estate
14 corporation.

15
16 This is a material misstatement. The failure
17 to disclose relevant information in the Petition Application
18 prevents or hinders a full investigation into the extent of
19 rehabilitation. Information regarding ownership in licensed
20 real estate entities may reflect on Respondent's business
21 practices and qualifications for a real estate license.
22 A failure to disclose material facts shows a lack of candor
23 and diligence expected of a licensee, is a dishonest act and
24 is additional cause pursuant to Code Section 10177(a) to deny
25 Respondent's petition application.
26

27 ///

///

1 Given the fact that Respondent has not established
2 that Respondent has complied with Regulations 2911(k), 2911(1),
3 and 2911(n) (1) and is in violation of Code Section 10177(a),
4 I am not satisfied that Respondent is sufficiently rehabilitated
5 to receive a real estate broker license.

6 NOW, THEREFORE, IT IS ORDERED that Respondent's
7 petition for reinstatement of Respondent's real estate broker
8 license is denied.

9
10 I am satisfied, however, that it will not be against
11 the public interest to issue a restricted real estate
12 salesperson license to Respondent.

13 A restricted real estate salesperson license shall
14 be issued to Respondent pursuant to Code Section 10156.5
15 if Respondent within twelve (12) months from the date
16 hereof:

17 (1) Makes application therefor and pays the
18 appropriate fee for said license.

19 (2) Submits evidence satisfactory to the Real Estate
20 Commissioner that Respondent has, since his license was
21 surrendered, taken and passed the written examination required
22 to obtain a real estate salesperson license.

23 The restricted license issued to Respondent shall be
24 subject to all of the provisions of Code Section 10156.7 and to
25 the following limitations, conditions and restrictions imposed
26 under authority of Code Section 10156.6:

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1. The restricted license issued to Respondent

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 is substantially related to Respondent's fitness or capacity as a real estate licensee.

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 not be eligible to apply for

the issuance of an unrestricted real estate license nor for the removal of any of the conditions, limitations or restrictions of a restricted license until two (2) years have elapsed from the effective date of this Decision.

4. Respondent shall submit with any application for

license under an employing broker, or with any application for transfer to a new employing broker, a statement signed by the prospective employing real estate broker on a form approved by the Department which shall certify:

1 (a) That the employing broker has read the Decision
2 of the Commissioner which granted the right to a restricted
3 license; and

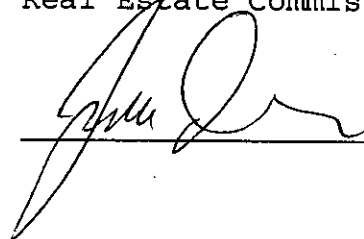
4 (b) That the employing broker will exercise close
5 supervision over the performance by the restricted licensee
6 relating to activities for which a real estate license is
7 required.
8

9 5. Respondent shall within nine (9) months from the
10 date of issuance of a restricted license present evidence
11 satisfactory to the Real Estate Commissioner that Respondent
12 has taken and successfully completed the continuing education
13 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
14 for renewal of a real estate license.
15

16 This Order shall become effective at 12 o'clock noon
17 on February 15, 2005.

18 DATED: 1-5-05

19
20 JEFF DAVI
21 Real Estate Commissioner

22 
23
24

25
26 cc: Steve Carter
27 426 Running Springs
 Palm Desert, CA 92211

FILED
FEB 21 2001
DEPARTMENT OF REAL ESTATE

By

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) NO. H-27701 LA
STEVE E. CARTER,)
Respondent.)

ORDER DENYING REINSTATEMENT OF LICENSE

On December 7, 1998, a Decision was rendered herein
revoking the real estate broker license of Respondent,
STEVE E. CARTER ("Respondent"), effective February 8, 1999.
Said Order accepted Respondent's petition for voluntary
surrender of his real estate broker license.

On June 16, 2000, Respondent petitioned for
reinstatement of said real estate broker license and the
Attorney General of the State of California has been given
notice of the filing of said petition.

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1
2 I have considered Respondent's petition and the
3 evidence and arguments in support thereof. Respondent has
4 failed to demonstrate to my satisfaction that Respondent
5 has undergone sufficient rehabilitation to warrant the
6 reinstatement of Respondent's real estate broker license.
7 This determination has been made in light of Respondent's
8 history of acts and conduct which are substantially related
9 to the qualifications, functions and duties of a real estate
10 licensee. That history includes:

11 I

12 On July 2, 1998, an Accusation was filed by
13 the Department of Real Estate ("Department"), against
14 Respondent. The Accusation stated the following: On about
15 February 20, 1997, in the United States District Court for
16 the Central District of California, Respondent was convicted
17 of violating 18 United States Code (U.S.C.) 371 (Conspiracy to
18 make False Statements) and 18 U.S.C. 1010 and 2 (False Statement
19 in an FHA Loan application, aiding and abetting). Said crimes
20 were felonies involving moral turpitude, and bear a substantial
21 relationship to the qualifications, functions or duties of a
22 real estate licensee pursuant to Section 2912, Title 10,
23 Chapter 6, California Code of Regulations.

24 Said convictions constitute cause to revoke or suspend
25 a real estate license under Sections 490 and 10177(b) of the
26 California Business and Professions Code.

27 ///

1
2 Respondent, in his Declaration of Petition to
3 Surrender Real Estate License, stated that all allegations
4 contained in Accusation H-27701 LA may be considered by the
5 Department to be true and correct for the purpose of deciding
6 whether or not to grant reinstatement of his license.

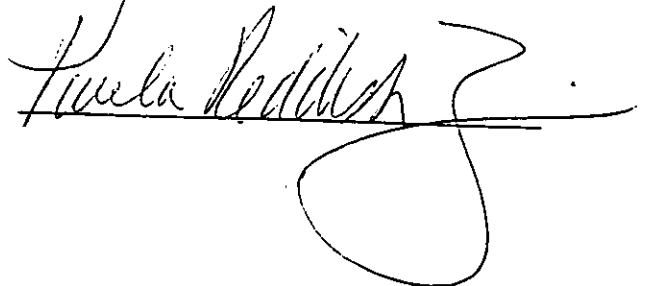
7 II

8 Due to the very serious nature of the Respondent's
9 convictions described in Paragraph I, the fact that said
10 convictions were directly related to activity requiring a
11 real estate license, and that as a licensed real estate broker,
12 Respondent would be responsible for overseeing real estate
13 transactions, not enough time has passed to establish that
14 Respondent is completely rehabilitated. This is cause to deny
15 Respondent's application pursuant to Section 2911(a) of the
16 Regulations.

17 NOW, THEREFORE, IT IS ORDERED that Respondent's
18 petition for reinstatement of Respondent's real estate broker
19 license is denied.

20 This Order shall become effective at 12 o'clock noon
21 on *January 31, 2001.*

22 PAULA REDDISH ZINNEMANN
23 Real Estate Commissioner

24 *Paula Reddish Zinnemann*
25 

26 cc: Steven Carter
27 426 Running Springs
Palm Desert, CA 92211

SACTB

FILED
JAN 14 1999
DEPARTMENT OF REAL ESTATE
By [Signature]

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
STEVE E. CARTER)	NO. H-27701 LA
)	
)	
)	
Respondent.)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On July 2, 1998, an Accusation was filed in this matter against Respondent Steve E. Carter.

On November 19, 1998, Respondent petitioned the Commissioner to voluntarily surrender his real estate broker license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent's petition for voluntary surrender of his real estate broker license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in Respondent's Declaration dated October 21, 1998 (attached as Exhibit "A" hereto).

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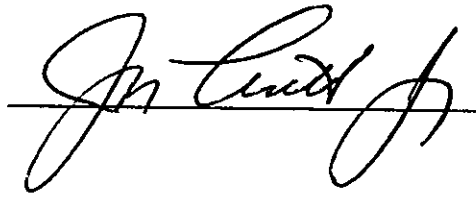
IT IS ALSO ORDERED that Respondent's license certificate(s), pocket card(s) and all branch office license certificates be sent to the below-listed address so that they reach the Department on or before the effective date of the Order:

Department of Real Estate
Attn: Licensing Flag Section
P.O. Box 187000
Sacramento, California 95818-7000

This Order shall become effective at 12 o'clock noon on February 8, 1999.

DATED: 12/7/98

JIM ANTT, JR.
Real Estate Commissioner



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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	NO. H-27701 LA
STEVE E. CARTER)	
)	DECLARATION OF PETITION
)	TO SURRENDER REAL ESTATE
Respondent.)	LICENSE

DECLARATION OF STEVE E. CARTER

I, STEVE E. CARTER, declare as follows:

1. My full name is STEVE E. CARTER.

2. I am the Respondent named in the Matter of the Accusation of STEVE E. CARTER, California Department of Real Estate ("Department") Case No. H-27701 LA.

3. Pursuant to Business and Professions Code Section 10100.2, I wish to voluntarily surrender my real estate broker license issued by the Department.

4. I understand that by so voluntarily surrendering my license, I agree to the following:

The filing of this petition shall be deemed to be an



SACTO

197-1212-001
BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED
JUL 22 1998

DEPARTMENT OF REAL ESTATE

* * *

In the Matter of the Accusation of
STEVE E. CARTER,

) H-27701 LA

By [Signature]

) NOTICE OF HEARING ON ACCUSATION

) Respondent.

) L-1998 070 323

To the above-named Respondents:

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 107 South Broadway, 2nd. Floor, Los Angeles, California 90012 on **September 18, 1998. at 2:30 p.m.** or as soon thereafter as the matter can be heard, upon the Accusation served upon you.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter. The interpreter must be approved by the Administrative Law Judge conducting the hearing as someone who is proficient in both English and the language in which the witness will testify. You are required to pay the costs of the interpreter unless the Administrative Law Judge directs otherwise.

Dated: July 22, 1998

DEPARTMENT OF REAL ESTATE

By: [Signature: James R. Peel]
JAMES R. PEEL
DRE Counsel

cc: STEVE E. CARTER
SE, OAH & SACTO

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II

At all times herein mentioned respondent was licensed by the Department of Real Estate of the State of California as a real estate broker

IV

On or about February 20, 1997, in the US District Court for the Central District of California, respondent was convicted of violating 18 USC 371 (conspiracy to make false statements) and 18 U.S.C. 1010 and 2 (false statement in an FHA loan application, aiding and abetting), felonies involving moral turpitude.

V

The crimes of which respondent was convicted bear a substantial relationship to the qualifications, functions or duties of a real estate licensee.

VI

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 of respondent under the Real Estate Law.

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

Dated at Los Angeles, California
this 2nd. day of July, 1998.

THOMAS MC CRADY
Deputy Real Estate Commissioner

cc: Steve E. Carter
Sacto.
SE