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FILED

MAY 30 2017

BUREAU OF REAL ESTATE

By R. Asade

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BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

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In the Matter of the Accusation of

DONG S. QUACH,

Respondent.

No. H-37889 LA

ORDER DENYING REINSTATEMENT OF LICENSE

On February 1, 2013, in Case No. H-37889 LA, an Order was executed which accepted the petition for the voluntary surrender of the real estate broker license of Respondent. The Order became effective on February 27, 2013.

On July 13, 2016, 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.

The burden of proving rehabilitation rests with the petitioner (*Feinstein v. State Bar* (1952) 39 Cal. 2d 541). A petitioner is required to show greater proof of honesty and integrity than an applicant for first time licensure. The proof must be sufficient to overcome the prior adverse judgment on the applicant's character (*Tardiff v. State Bar* (1980) 27 Cal. 3d 395).

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1 I have considered the petition of Respondent and the evidence submitted in  
2 support thereof.

3 The Bureau has developed criteria in Section 2911 of Title 10, California Code of  
4 Regulations (Regulations) to assist in evaluating the rehabilitation of an applicant for  
5 reinstatement of a license. Among the criteria relevant in this proceeding are:

6 Regulation 2911(b) Restitution to any person who has suffered monetary losses  
7 through "substantially related" acts or omissions of the applicant.

8 On October 26, 2012, Respondent signed a declaration for voluntary surrender of  
9 his broker license, in Case No. H-37889 LA. Among the terms of the declaration was a  
10 statement that "all allegations contained in the Accusation filed in Department Case H-37889 LA  
11 may be considered by the Department to be true and correct for the purpose of deciding whether  
12 to grant relicensure or reinstatement pursuant to Government Code Section 11522. The  
13 declaration further stated that:

14 "If and when a petition application is made of reinstatement of a surrendered license or  
15 endorsement, the Real Estate Commissioner will consider as one the criteria of  
16 rehabilitation, whether or not restitution has been made to any person who has suffered  
17 monetary losses through 'substantially related' acts or omission of Respondent(s),  
whether or not such persons are named in the investigation file in this case."

18 The Accusation in Case No. H-37889 LA, named four parties who suffered  
19 monetary losses to United Fidelity Group Inc, during the time Respondent was designated officer  
20 of that corporation. Respondent's petition application only offered proof of paying restitution to  
21 one of the four parties who suffered monetary losses. Respondent claims to have paid \$300 to an  
22 individual who lost \$1,495 to Respondent's former corporation.

23  
24 Regulation 2911(h) Stability of family life and fulfillment of parental and familial  
25 responsibilities subsequent to the conviction or conduct that is the basis for denial of the agency  
26 action sought.

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1 In his petition application, Respondent stated that he “is currently going through a  
2 divorce.”

3 Regulation 2911(j) Discharge of, or bona fide efforts toward discharging,  
4 adjudicated debts or monetary obligations to others.

5 On or about March 27, 2015, a judgment of \$3,595 was entered against  
6 Respondent, in favor of the West Santa Rosa Community Association, before the San Diego  
7 Municipal Court, in Case No. 201400312152. Respondent’s petition application indicated that  
8 this judgment has not been satisfied.

9 The petition application also indicated that Respondent’s “house is in  
10 foreclosure.”

11 As mentioned above, Respondent has only paid a portion of restitution to one of  
12 the four parties described in the Accusation, when he was designated Officer of United Fidelity  
13 Group Inc. Respondent’s petition application contained letters he sent to these parties in 2015,  
14 offering to “see if a settlement can be made about this complaint.” These letters were only sent  
15 to the addresses held by the complainants in 2009, when they were facing foreclosure. The  
16 likelihood that they would still reside in their distressed properties 6 years later was low. There  
17 is no evidence that Respondent offered to pay the full amount of restitution to any party, or to  
18 remit to the State Controller (as “Unclaimed Property”) monies owed to such parties. Therefore,  
19 Respondent has not presented evidence of “bona fide efforts towards discharging” monetary  
20 obligations to the parties named in the Accusation.

21 Respondent has failed to demonstrate to my satisfaction that Respondent has  
22 undergone sufficient rehabilitation to warrant the reinstatement of Respondent's real estate  
23 broker license at this time.

24 Given the violations found and the fact that Respondent has not established that  
25 Respondent has satisfied Regulations 2911(b), (h), and (j), I am not satisfied that Respondent is  
26 sufficiently rehabilitated to receive a real estate broker license.

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

This Order shall become effective at 12 o'clock noon on **JUN 19 2017**

IT IS SO ORDERED 5/24/2017

WAYNE S. BELL  
REAL ESTATE COMMISSIONER

