



1 my satisfaction that Respondent meets the requirements of law for  
2 the issuance to Respondent of an unrestricted real estate broker  
3 license and that it would not be against the public interest to  
4 issue said license to Respondent.

5 NOW, THEREFORE, IT IS ORDERED that Respondent's  
6 petition for reinstatement is granted and that a real estate  
7 broker license be issued to Respondent if Respondent satisfies  
8 the following conditions within nine months from the date of this  
9 Order:

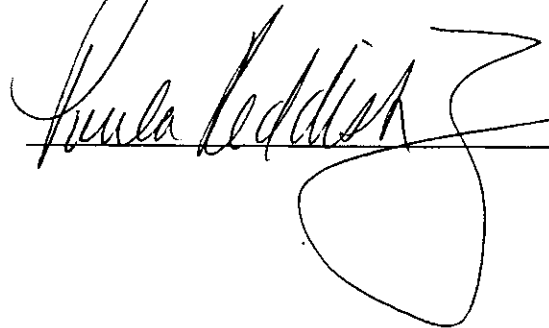
10 1. Submittal of a completed application and payment of  
11 the fee for a real estate broker license.

12 2. Submittal of evidence of having, since the most  
13 recent issuance of an original or renewal real estate license,  
14 taken and successfully completed the continuing education  
15 requirements of Article 2.5 of Chapter 3 of the Real Estate Law  
16 for renewal of a real estate license.

17 This Order shall be effective immediately.

18 DATED: April 17, 2002.  
19

20 PAULA REDDISH ZINNEMANN  
21 Real Estate Commissioner

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1 salesperson license and that it would not be against the public  
2 interest to issue said license to Respondent.

3 NOW, THEREFORE, IT IS ORDERED that Respondent's petition  
4 for reinstatement is granted and that a real estate salesperson  
5 license be issued to Respondent if Respondent satisfies the  
6 following conditions within six (6) months from the date of this  
7 Order:

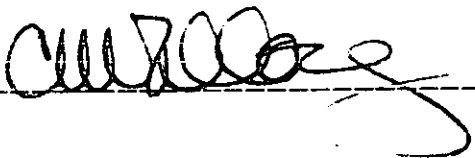
8 1. Submittal of a completed application and payment of  
9 the fee for a real estate salesperson license.

10 2. Submittal of evidence of having, since the most  
11 recent issuance of an original or renewal real estate license,  
12 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 This Order shall be effective immediately.

16 DATED: 11/19/92

17 CLARK WALLACE  
18 Real Estate Commissioner

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1 I have considered the petition of Respondent and the  
2 evidence and arguments in support thereof including Respondent's  
3 record as a restricted licensee. Respondent has demonstrated to  
4 my satisfaction that Respondent meets the requirements of law for  
5 the issuance to Respondent of an unrestricted real estate  
6 salesperson license and that it would not be against the public  
7 interest to issue said license to Respondent.

8 NOW, THEREFORE, IT IS ORDERED that Respondent's petition  
9 for reinstatement is granted and that a real estate salesperson  
10 license be issued to Respondent subject to the following  
11 understanding and conditions:

12 1. The license issued pursuant to this order shall be  
13 deemed to be the first renewal of Respondent's real estate  
14 salesperson license for the purpose of applying the provisions of  
15 Section 10153.4.

16 2. Within six (6) months from the date of this order,  
17 Respondent shall:

18 A) Submit a completed application and pay the  
19 appropriate fee for a real estate salesperson license;  
20 and

21 B) Submit evidence of having taken and successfully  
22 completed the courses specified in subdivisions (a)  
23 and (b) of Section 10170.5 of the Real Estate Law  
24 for renewal of a real estate license.

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FILED  
MAY 30 1989

DEPARTMENT OF REAL ESTATE

By Maurice A. Zain

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )	
JANE KERRY KOERWITZ, et al., )	NO. H-2339 SAC
Respondents. )	

ORDER DENYING RECONSIDERATION

On April 4, 1989, a Stipulation and Decision After Rejection was rendered as to respondent JANE KERRY KOERWITZ only in the above-entitled matter. The Stipulation and Decision After Rejection is to become effective on May 30, 1989.

On April 28, 1989, respondent JANE KERRY KOERWITZ petitioned for reconsideration of the Stipulation and Decision After Rejection of April 4, 1989.

I have given due consideration to the petition of respondent. I find no good cause to reconsider the Stipulation and Decision After Rejection of April 4, 1989 and reconsideration is hereby denied.

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IT IS SO ORDERED May 30, 1989.

JAMES A. EDMONDS, JR.  
Real Estate Commissioner

By: John R. Liberator  
JOHN R. LIBERATOR  
Chief Deputy Commissioner




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3. Upon renewal of the license issued pursuant to this  
order, Respondent shall submit evidence of having 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.

This Order shall be effective immediately.

DATED: January 7, 1992

CLARK WALLACE  
Real Estate Commissioner





**FILED**  
APR - 7 1989

DEPARTMENT OF REAL ESTATE

*Laurel A. Gian*

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of	)	NO. H-2339 SAC
	)	
JANE KERRY KOERWITZ,	)	OAH No. N-32025
et al.,	)	
	)	
Respondents.	)	

STIPULATION AND DECISION AFTER REJECTION

It is hereby stipulated by and between JANE KERRY KOERWITZ, Respondent in this matter, her attorney Janice E. Sward, and the Real Estate Commissioner as follows:

1. On July 13, 1988, an Accusation was filed against the real estate broker license of Respondent.

2. On November 30, 1988, a hearing was held before an Administrative Law Judge of the Office of Administrative Hearings on the Accusation in the above-referenced matter. Respondent was present and was represented by counsel at said hearing.

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1 Professions Code Section 10156.5 if Respondent JANE KERRY KOERWITZ  
2 makes application therefore and pays to the Department the  
3 appropriate fee for said license within sixty (60) days of the  
4 effective date of this decision upon the following terms and  
5 conditions:

6           A. Respondent shall not be eligible to apply for the  
7 issuance of an unrestricted real estate license, nor the removal  
8 of any of the restrictions of the restricted license, until two  
9 (2) years have elapsed from the date of issuance of the restricted  
10 license.

11           B. Respondent shall, within nine (9) months from the  
12 effective date of the Decision, present evidence satisfactory to  
13 the Real Estate Commissioner that she has, since the most recent  
14 issuance of an original or renewal real estate license, taken and  
15 successfully completed the continuing education requirements of  
16 Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a  
17 real estate license. If Respondent fails to satisfy this  
18 condition, the Commissioner may order the suspension of the  
19 restricted license until Respondent presents such evidence. The  
20 Commissioner shall afford Respondent the opportunity for a hearing  
21 pursuant to the Administrative Procedure Act to present such  
22 evidence.

23           C. Within one (1) year from the effective date of this  
24 Decision, Respondent shall cause an independent audit to be  
25 performed of all client trust accounts, the result of which are to  
26 be submitted to the Department of Real Estate. All costs  
27 attributable to the audit and report to be submitted to the

1 Department shall be paid by Respondent and the Department shall  
2 incur no costs as a result of the certified audit. Respondent  
3 shall comply with this requirement for each of the two (2) years  
4 during which her license is restricted.

5 D. The restricted license issued to Respondent may be  
6 suspended prior to hearing by Order of the Real Estate  
7 Commissioner in the event of Respondent's conviction or plea of  
8 nolo contendere to a crime which bears a significant relation to  
9 Respondent's fitness or capacity as a real estate licensee.

10 E. The restricted license issued to Respondent may be  
11 suspended prior to hearing by Order of the Real Estate  
12 Commissioner on evidence satisfactory to the Commissioner that  
13 Respondent has violated provisions of the California Real Estate  
14 Law, the Subdivided Lands Law, Regulations of the Real Estate  
15 Commissioner or conditions attaching to the restricted license.

16 F. Respondent shall submit to the Real Estate  
17 Commissioner a Trust Fund Position Statement as of the last day of  
18 each calendar quarter (the accounting date) for so long as said  
19 restricted license shall remain in effect.

20 The Position Statement shall consist of the following:

21 1. A schedule of trust fund accountability with the  
22 following information for each transaction in which Respondent is  
23 accountable as agent or trustee to the owner of funds:

24 (a) Account number;

25 (b) Type of transaction (purchase and sale, property  
26 management, loan collection);

27 ///

1 (c) Name of principal or beneficiary;

2 (d) Description of real property; and

3 (e) Trust fund liability.

4 2. A report of trust funds in the custody and control  
5 of Respondent as of the accounting date consisting of:

6 (a) A copy of Respondent's trust account bank  
7 statement showing the balance of funds in the account as  
8 of the accounting date; and

9 (b) A schedule of uncleared checks drawn on the account  
10 adjusting the account to its true balance as of the  
11 accounting date.

12 3. A statement explaining any discrepancy between the  
13 total liability shown under (1) above and the adjusted trust  
14 account balance shown under (2) above.

15 The Trust Fund Position Statement shall be submitted by  
16 Respondent to the Sacramento District Office of the Department of  
17 Real Estate not later than thirty (30) days after each accounting  
18 date. If Respondent has no trust fund liability as of an  
19 accounting date, her report to the Department shall so state.

20 Respondent shall certify the completeness and accuracy  
21 of each Position Statement to the best of her knowledge and  
22 belief.

23 G. The restricted real estate broker license issued to  
24 Respondent shall be suspended for twenty (20) days from the  
25 effective date of issuance of said restricted license. Provided,  
26 however, that:

27 ///

1           1. Eight (8) days of said suspension shall be stayed  
2 for one (1) year upon the following terms and conditions:

3           (a) Respondent shall obey all laws, rules and  
4 regulations governing the rights, duties and responsibilities of a  
5 real estate licensee in the State of California.

6           (b) That no final subsequent determination be made,  
7 after hearing or upon stipulation, that cause for disciplinary  
8 action occurred within one (1) year of the effective date of this  
9 decision. Should such a determination be made, the Commissioner  
10 may, in his discretion, vacate and set aside the stay order and  
11 reimpose all or a portion of the stayed suspension. Should no  
12 such determination be made, the stay imposed herein shall become  
13 permanent.

14           2. The remaining twelve (12) days of said suspension  
15 shall be stayed upon condition that:

16           (a) Respondent pays a monetary penalty pursuant to  
17 Section 10175.2 of the Business and Professions Code at a rate of  
18 \$250.00 for each day of the twelve (12) days of said suspension  
19 for a total monetary penalty of \$3,000.00.

20           (b) Said payment shall be in the form of a cashier's  
21 check or certified check made payable to the Recovery Account of  
22 the Real Estate Fund. Said check must be delivered to the  
23 Department prior to the effective date of the Decision in this  
24 matter. If Respondent fails to pay the monetary penalty in  
25 accordance with the terms and conditions of the Decision, the  
26 Commissioner may, without a hearing, order the immediate execution  
27 of all or any part of the stayed suspension in which event the




1 Respondent shall not be entitled to any repayment nor credit,  
2 prorated or otherwise, for money paid to the Department under the  
3 terms of this Decision.

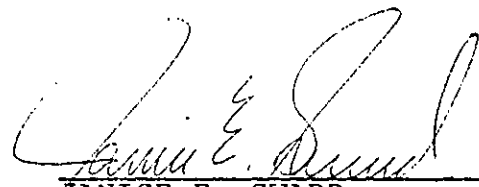
4 (c) If Respondents pays the monetary penalty and if no  
5 further cause for disciplinary action against the real estate  
6 license of Respondent occurs within one (1) year from the  
7 effective date of the Decision, the stay hereby granted shall  
8 become permanent.

9 I have read the foregoing and understand and agree to  
10 the same.

11 DATED: 3/27/89

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14 JANE KERRY KOERWITZ  
Respondent

15 DATED: MARCH 27<sup>TH</sup> 1989

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18 JANICE E. SWARD  
Counsel for Respondent

19 Respondent having read, understood and agreed to the  
20 foregoing, **IT IS HEREBY ORDERED** that the above-listed order  
21 shall constitute the Decision of the Real Estate Commissioner in  
22 this matter pursuant to Section 11517(c) of the Government Code.

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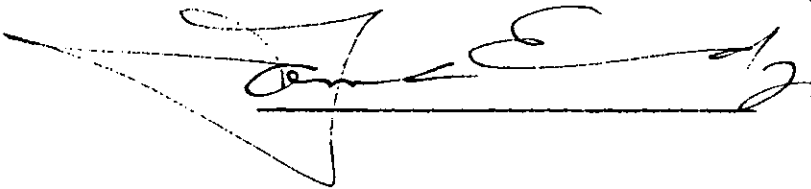
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This Decision will become effective at 12 o'clock noon  
on April 28, 1989.

IT IS SO ORDERED 4-4, 1989.

JAMES A. EDMONDS, JR.  
Real Estate Commissioner



**FILED**  
MAR - 3 1989

DEPARTMENT OF REAL ESTATE

*Laurel A. Gian*

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )	
JIM LOU KOERWITZ, )	NO. H-2339 SAC
Respondent. )	N-32025

ORDER DENYING RECONSIDERATION

On January 11, 1989, a Decision was rendered in the above-entitled matter. The Decision is to become effective on March 6, 1989.

On February 2, 1989, respondent petitioned for reconsideration of the Decision of January 11, 1989.

I have given due consideration to the petition of respondent. I find no good cause to reconsider the Decision of January 11, 1989 and reconsideration is hereby denied.

IT IS SO ORDERED     JAE    , 1989.

JAMES A. EDMONDS, JR.  
Real Estate Commissioner

*[Handwritten signature of James A. Edmonds, Jr.]*

FILED  
FEB - 3 1989

DEPARTMENT OF REAL ESTATE

By Laurie A. Zian

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Application of )	
JIM LOU KOERWITZ, )	NO. H-2339 SAC
Respondent. )	N-32025

ORDER STAYING EFFECTIVE DATE

On January 11, 1989, a Decision was rendered in the above-entitled matter to become effective February 3, 1989.

IT IS HEREBY ORDERED that the effective date of the Decision of January 11, 1989 is stayed as to Respondent JIM LOU KOERWITZ only for a period of thirty (30) days.

The Decision of January 11, 1989 shall become effective at 12 o'clock noon on March 6, 1989.

DATED: February 3, 1989

JAMES A. EDMONDS, JR.  
Real Estate Commissioner

John R. Lector

FILED  
JAN 13 1989

DEPARTMENT OF REAL ESTATE

By *Laurie A. Gian*

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )	)	
JANE KERRY KOERWITZ, )	)	NO. H-2339 SAC
JIM LOU KOERWITZ, and )	)	
KAREN LYNNE LAKE, )	)	N-32025
Respondents. )	)	

NOTICE

TO: JANE KERRY KOERWITZ, Respondent and JANICE E. SWARD, her Counsel

YOU ARE HEREBY NOTIFIED that the Proposed Decision herein dated December 21, 1988 of the Administrative Law Judge is not adopted as to Respondent JANE KERRY KOERWITZ only as the Decision of the Real Estate Commissioner. A copy of the Proposed Decision dated December 21, 1988 is attached hereto for your information.

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1 In accordance with Section 11517(c) of the Government  
2 Code of the State of California, the disposition of this case as  
3 to Respondent JANE KERRY KOERWITZ will be determined by me after  
4 consideration of the record herein including the transcript of the  
5 proceedings held on November 30, 1988 and any written argument  
6 hereafter submitted on behalf of Respondent JANE KERRY KOERWITZ  
7 and complainant.

8 Written argument of Respondent JANE KERRY KOERWITZ to be  
9 considered by me must be submitted within 15 days after receipt of  
10 the transcript of the proceedings of November 30, 1988, at the  
11 Sacramento office of the Department of Real Estate unless an  
12 extension of the time is granted for good cause shown.

13 Written argument of complainant to be considered by me  
14 must be submitted within 15 days after receipt of the argument of  
15 Respondent JANE KERRY KOERWITZ at the Sacramento office of the  
16 Department of Real Estate unless an extension of the time is  
17 granted for good cause shown.

18 DATED: January 11, 1989

19 JAMES A. EDMONDS, JR.  
20 Real Estate Commissioner

21  
22 By:

John R. Liberator  
23 JOHN R. LIBERATOR  
24 Chief Deputy Commissioner  
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BEFORE THE  
DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation )  
Against )  
 )  
JANE KERRY KOERWITZ, )  
JIM LOU KOERWITZ, and )  
KAREN LYNNE LAKE, )  
 )  
Respondents. )  
\_\_\_\_\_ )

CASE NO. H-2339 SAC  
OAH NO. N-32025

PROPOSED DECISION ..

On November 30, 1988, in Sacramento, California, Keith A. Levy, Administrative Law Judge, Office of Administrative Hearings, heard this matter.

Larry Alamao, Staff Counsel, represented complainant.

Janice E. Sward, Attorney at Law, represented respondents Jane Kerry Koerwitz and Jim Lou Koerwitz.

Karen Lynne Lake entered into a written stipulation with complainant and did not make an appearance.

Evidence was received, the record was closed and the matter was submitted.

FINDINGS OF FACT

I

Complainant, Charles W. Koenig, Deputy Real Estate Commissioner, State of California, made the Accusation in his official capacity and not otherwise.

II

Respondents Jane Kerry Koerwitz, Jim Lou Koerwitz, and Karen Lynne Lake are presently licensed and/or have licenses rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code).

III

At all times herein mentioned, respondent Jane Kerry Koerwitz was licensed as a real estate broker doing business as Century 21-Koerwitz Realty.

IV

At all times herein mentioned, respondent Jim Lou Koerwitz was licensed as a real estate salesperson acting in the employ of Jane Kerry Koerwitz.

V

Respondent Karen Lynne Lake was hired by respondent Jane Kerry Koerwitz in May, 1987 to act as and perform all duties of a property manager. Respondent Karen Lynne Lake was scheduled to take the real estate exam in September, 1987 and between June and September she performed licensed activities. Respondent Lake showed prospective tenants properties for rent, drew up rental and management agreements, performed walk-throughs with tenants vacating properties, collected monies and dealt with owners as their represented agent. In September, 1987 respondent Lake took and failed the real estate exam and again in October she took and failed the real estate exam. Respondent Lake did not obtain her salesperson's license until November 16, 1987. Respondent Lake performed acts for which a real estate license is required from sometime in May, 1987 until November 16, 1987.

VI

Respondent Jane Kerry Koerwitz has been a broker for approximately fourteen years and has owned her own business for eleven years in West Sacramento. Real estate sales is the primary activity of her office. The property management business was purchased in 1984 primarily to pay the overhead and business expenses of the company. Respondent Jim Lou Koerwitz managed the property management part of the business. There is no evidence of a writing authorizing Jim Lou Koerwitz to act on behalf of the broker. Thirty-nine properties, for 21 owners, were managed by respondents.

VII

Respondents received and disbursed funds held in trust on behalf of their clients. The funds were held in a trust account at First Northern Bank of Dixon. The trust account was audited by an auditor for the Department of Real Estate covering the period January, 1986 through March 3, 1988. The audit revealed that as of March 3, 1988 there was a shortage of \$16,259.89 of trust funds in the bank account.

VIII

Respondent Jane Kerry Koerwitz failed to obtain the prior written consent of her principals for the reduction of the aggregate balance of trust funds in the trust account to an amount less than the existing aggregate trust fund liability to the owners of said funds.

IX

In connection with the collection of trust funds, respondents Jane Kerry Koerwitz and Karen Lynne Lake failed to deposit trust funds



received by them into a bank trust account no later than the next business day following receipt by them of the trust funds. The auditor from Department of Real Estate sampled five months of receipts during the period examined and noted each month that deposits were not made in a timely manner. Some deposits were not made for a week or more following receipt of the funds.

X

On or about June 3, 1987, respondent Jim Lou Koerwitz wrote a check for \$8,000 from the property management trust fund account and deposited it in the general business account of Koerwitz Realty. This was done for his own use or benefit and not authorized by the rightful owners of said funds. Sometime in February, 1987, Jane and Jim Koerwitz were approached by Century-21 and were asked if they wanted to become affiliated as a franchise with Century-21. The fee was \$15,000 or \$8,500 down with monthly installments. The Koerwitzs were carrying a \$90,000 note on a business they owned and sold which the holder advised them he would be paying off shortly. When it came down to the time in which Century-21 needed a binding commitment and the required fee, the money still had not come through on the note payoff. Respondent Jim Lou Koerwitz did not want to lose the franchise opportunity and that is why he transferred the funds from the property management trust to the general business account of Koerwitz Realty. Respondent Jane Kerry Koerwitz had no knowledge of this transaction and had been told by Jim Lou Koerwitz that sufficient funds were in the general business account to write the deposit check to Century-21.

XI

In December, 1987, Century-21 Koerwitz Realty relocated. They moved to 910 Jefferson Blvd. in West Sacramento. The expenses for the move were more than anticipated. Respondent Jim Lou Koerwitz wrote another check from the trust account to himself in the amount of \$1,000. This check was also deposited into the Koerwitz Realty general business account. This deposit was made on or about December 11, 1987. This transfer of funds from the trust account was not authorized by the rightful owners of said funds. Respondent Jane Kerry Koerwitz had no knowledge of this transaction.

XII

When respondent Jane Kerry Koerwitz was informed by Department of Real Estate's auditor on or about March 9, 1988 of the unauthorized transfer of trust funds, she immediately borrowed \$9,000 from her family and deposited it into the property management trust fund account.

XIII

In connection with the collection and disbursement of trust funds, respondent Jane Kerry Koerwitz failed to keep a separate record for each beneficiary of said funds showing the date of each related disbursement, the check number of each related disbursement, and the balance after posting transactions of any date.

XIV

In connection with the property management activities, respondent Jane Kerry Koerwitz failed to review, initial and date, within five (5) working days after preparation, instruments prepared or signed by real estate salespersons and which have a material effect upon the rights or obligations of the parties to the transactions.

XV

Respondent Jane Kerry Koerwitz, has taken steps to correct deficiencies found in the Department of Real Estate audit. The bookkeeping system has been changed to the Safeguard System, she has actively participated in the property management part of the business with day-to-day operations being performed by her daughter who is a licensed salesperson and educated in accounting, an independent audit is being performed and \$7,259.80 has been placed in escrow to cover shortfalls found by the Department of Real Estate audit.

XVI

Respondent Karen Lynne Lake stipulated, for the purposes of this proceeding only, that the allegations contained in the Accusation (Exhibit 1), that pertain to her, are true and correct.

DETERMINATION OF ISSUES

I

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code sections 10145 and 10177(d), and California Code of Regulations section 2832.1 by reason of Finding VII and VIII.

II

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code section 10177(d) and California Code of Regulations section 2725 by reason of Findings VI and XIV.

III

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code sections 10177(g) and (h) by reason of Finding VI, VII, VIII, IX, X, XI, XII, XIII, and XIV.

IV

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code section 10177(d) and California Code of Regulations section 2831.1 by reason of Finding XIII.

V

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code section 10137 by reason of Finding V.

VI

Cause for discipline of respondent Jane Kerry Koerwitz's and Karen Lynne Lake's license was established for violation of Business and Professions Code sections 10145 and 10177(d) and California Code of Regulations section 2832 by reason of Finding IX.

VII

Cause for discipline of respondents Jane Kerry Koerwitz's and Jim Lou Koerwitz's license was established for violation of Business and Professions Code sections 10145 and 10176(e) by reason of Findings X and XI.

VIII

Cause for discipline of respondent Karen Lynne Lake's license was established for violation of Business and Professions Code sections 10130, and 10177(d) by reason of Findings V and XVI.

ORDER

I

Real estate salesperson's license and all license rights of respondent Jim Lou Koerwitz are hereby revoked.

II

Real estate salesperson's license and all license rights of respondent Karen Lynne Lake are hereby 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 and pays to the Department the appropriate fees for said license within sixty (60) days of the effective date of this Decision upon the following terms and conditions:

- A. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license, nor the removal of any of the restrictions of the restricted license, until one (1) year has elapsed from the effective date of the Decision.
- B. Respondent's original real estate salesperson's license was issued subject to provisions of section 10153.4 of the Business and Professions Code, and the restricted real estate salesperson's license issued to

respondent shall be similarly limited, to wit: respondent shall, within eighteen (18) months of the issuance of respondent's original real estate salesperson's license under the provisions of section 10153.4 of the Business and Professions Code, submit evidence satisfactory to the Commissioner of successful completion, at an accredited institution, of two of the courses listed in section 10153.2, other than real estate principles, advance legal aspects of real estate, advance real estate finance or advance real estate appraisal. If respondent fails to present satisfactory evidence of successful completion of said courses, the restricted license shall be automatically suspended effective eighteen (18) months after issuance of respondent's original real estate salesperson's license. Said suspension shall not be lifted until respondent has submitted the required evidence of course completion and the Commissioner has given written notice to respondent of the lifting of the suspension.

- C. Any restricted license issued to respondent may be suspended prior to hearing by order of the Commissioner in the event that respondent is convicted (including a plea of nolo contendere) of any crime which bears a substantial relationship to respondent's fitness to be a real estate licensee or as otherwise provided by law.
- D. Respondent shall comply with all the laws to which she is subject, including all the provisions of the California Real Estate Law, the Subdivided Lands Law, and all regulations of the Real Estate Commissioner.
- E. With the application for a license, or with the application for transfer to a new employing broker, respondent shall submit a statement signed by the prospective employing broker on a form approved by the Department of Real Estate wherein the employing broker shall certify as follows:
  - 1. Broker has read the Accusation which is the basis for the issuance of the restricted license;
  - 2. Broker will carefully review all transaction documents prepared by the restricted licensee and otherwise exercise close supervision over the licensee's performance of acts for which a license is required.

- F. The restricted real estate salesperson's license issued to respondent pursuant to this Decision shall be suspended for five (5) days from the effective date of issuance of said restricted license.

III

All real estate licenses and licensing rights issued to respondent Jane Kerry Koerwitz by the Department of Real Estate are revoked; provided, however, a restricted real estate license shall be issued to respondent pursuant to section 10156.5 of the Business and Professions Code if respondent makes application therefor within thirty days from the effective date of this decision. The restricted license issued to respondent shall be subject to all of the provisions of section 10156.7 of the Business and Professions Code and to the following limitations, conditions and restrictions imposed under authority of section 10156.6 of that Code:

- A. Respondent shall associate with another broker, acceptable to the Department of Real Estate, who shall exercise close supervision over her performance and all her employees related to activities for which a real estate license is required. The supervising broker shall review, initial and date all documents required to be so handled by respondent pursuant to California Code of Regulations section 2725(a). Respondent shall submit the name of her intended supervising associate broker to the Department of Real Estate within ninety (90) days. The Department of Real Estate shall approve or disapprove of the supervising associate broker named by respondent, within sixty (60) days.
- B. Within one (1) year from the effective date of this Decision, respondent shall cause an independent audit to be performed of all client trust accounts, the result of which are to be submitted to the Department of Real Estate. All costs attributable to the audit and report to be submitted to the Department shall be paid by respondent and the Department shall incur no costs as a result of the certified audit. Respondent shall comply with this requirements for each of the two (2) succeeding years during which its license is restricted.
- C. 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 bears a significant


*NOT  
ADOPTED*

relation to respondent's fitness or capacity as a real estate licensee.

- D. 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.
- E. 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 three (3) years have elapsed from the date of issuance of the restricted license to respondent.
- F. Respondent shall, within six (6) months from the effective date of this decision, present evidence satisfactory to the Real Estate Commissioner that respondent 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.

**NOT  
ADOPTED**

Dated: December 21, 1988

  
\_\_\_\_\_  
KEITH A. LEVY  
Administrative Law Judge  
Office of Administrative Hearings

FILED  
JAN 13 1989

DEPARTMENT OF REAL ESTATE

*Spurie A. Zean*

BEFORE THE  
DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )	
JANE KERRY KOERWITZ, )	NO. H-2339 SAC
JIM LOU KOERWITZ, and )	
KAREN LYNNE LAKE, )	N-32025
Respondents. )	

DECISION

The Proposed Decision dated December 21, 1988 of the Administrative Law Judge of the Office of Administrative Hearings is hereby adopted as the Decision of the Real Estate Commissioner as to Respondents JIM LOU KOERWITZ and KAREN LYNNE LAKE only in the above-entitled matter.

The Decision shall become effective at 12 o'clock  
noon on February 3rd, 19 89.

IT IS SO ORDERED January 11, 19 89.

JAMES A. EDMONDS, JR.  
Real Estate Commissioner

By: John R. Liberator  
JOHN R. LIBERATOR  
Chief Deputy Commissioner

BEFORE THE  
DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation )  
Against )  
 )  
JANE KERRY KOERWITZ, )  
JIM LOU KOERWITZ, and )  
KAREN LYNNE LAKE, )  
 )  
Respondents. )  
\_\_\_\_\_ )

CASE NO. H-2339 SAC  
OAH NO. N-32025

PROPOSED DECISION

On November 30, 1988, in Sacramento, California, Keith A. Levy, Administrative Law Judge, Office of Administrative Hearings, heard this matter.

Larry Alamao, Staff Counsel, represented complainant.

Janice E. Sward, Attorney at Law, represented respondents Jane Kerry Koerwitz and Jim Lou Koerwitz.

Karen Lynne Lake entered into a written stipulation with complainant and did not make an appearance.

Evidence was received, the record was closed and the matter was submitted.

FINDINGS OF FACT

I

Complainant, Charles W. Koenig, Deputy Real Estate Commissioner, State of California, made the Accusation in his official capacity and not otherwise.

II

Respondents Jane Kerry Koerwitz, Jim Lou Koerwitz, and Karen Lynne Lake are presently licensed and/or have licenses rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code).

III

At all times herein mentioned, respondent Jane Kerry Koerwitz was licensed as a real estate broker doing business as Century 21-Koerwitz Realty.



#### IV

At all times herein mentioned, respondent Jim Lou Koerwitz was licensed as a real estate salesperson acting in the employ of Jane Kerry Koerwitz.

#### V

Respondent Karen Lynne Lake was hired by respondent Jane Kerry Koerwitz in May, 1987 to act as and perform all duties of a property manager. Respondent Karen Lynne Lake was scheduled to take the real estate exam in September, 1987 and between June and September she performed licensed activities. Respondent Lake showed prospective tenants properties for rent, drew up rental and management agreements, performed walk-throughs with tenants vacating properties, collected monies and dealt with owners as their represented agent. In September, 1987 respondent Lake took and failed the real estate exam and again in October she took and failed the real estate exam. Respondent Lake did not obtain her salesperson's license until November 16, 1987. Respondent Lake performed acts for which a real estate license is required from sometime in May, 1987 until November 16, 1987.

#### VI

Respondent Jane Kerry Koerwitz has been a broker for approximately fourteen years and has owned her own business for eleven years in West Sacramento. Real estate sales is the primary activity of her office. The property management business was purchased in 1984 primarily to pay the overhead and business expenses of the company. Respondent Jim Lou Koerwitz managed the property management part of the business. There is no evidence of a writing authorizing Jim Lou Koerwitz to act on behalf of the broker. Thirty-nine properties, for 21 owners, were managed by respondents.

#### VII

Respondents received and disbursed funds held in trust on behalf of their clients. The funds were held in a trust account at First Northern Bank of Dixon. The trust account was audited by an auditor for the Department of Real Estate covering the period January, 1986 through March 3, 1988. The audit revealed that as of March 3, 1988 there was a shortage of \$16,259.89 of trust funds in the bank account.

#### VIII

Respondent Jane Kerry Koerwitz failed to obtain the prior written consent of her principals for the reduction of the aggregate balance of trust funds in the trust account to an amount less than the existing aggregate trust fund liability to the owners of said funds.

#### IX

In connection with the collection of trust funds, respondents Jane Kerry Koerwitz and Karen Lynne Lake failed to deposit trust funds

received by them into a bank trust account no later than the next business day following receipt by them of the trust funds. The auditor from Department of Real Estate sampled five months of receipts during the period examined and noted each month that deposits were not made in a timely manner. Some deposits were not made for a week or more following receipt of the funds.

X

On or about June 3, 1987, respondent Jim Lou Koerwitz wrote a check for \$8,000 from the property management trust fund account and deposited it in the general business account of Koerwitz Realty. This was done for his own use or benefit and not authorized by the rightful owners of said funds. Sometime in February, 1987, Jane and Jim Koerwitz were approached by Century-21 and were asked if they wanted to become affiliated as a franchise with Century-21. The fee was \$15,000 or \$8,500 down with monthly installments. The Koerwitzs were carrying a \$90,000 note on a business they owned and sold which the holder advised them he would be paying off shortly. When it came down to the time in which Century-21 needed a binding commitment and the required fee, the money still had not come through on the note payoff. Respondent Jim Lou Koerwitz did not want to lose the franchise opportunity and that is why he transferred the funds from the property management trust to the general business account of Koerwitz Realty. Respondent Jane Kerry Koerwitz had no knowledge of this transaction and had been told by Jim Lou Koerwitz that sufficient funds were in the general business account to write the deposit check to Century-21.

XI

In December, 1987, Century-21 Koerwitz Realty relocated. They moved to 910 Jefferson Blvd. in West Sacramento. The expenses for the move were more than anticipated. Respondent Jim Lou Koerwitz wrote another check from the trust account to himself in the amount of \$1,000. This check was also deposited into the Koerwitz Realty general business account. This deposit was made on or about December 11, 1987. This transfer of funds from the trust account was not authorized by the rightful owners of said funds. Respondent Jane Kerry Koerwitz had no knowledge of this transaction.

XII

When respondent Jane Kerry Koerwitz was informed by Department of Real Estate's auditor on or about March 9, 1988 of the unauthorized transfer of trust funds, she immediately borrowed \$9,000 from her family and deposited it into the property management trust fund account.

XIII

In connection with the collection and disbursement of trust funds, respondent Jane Kerry Koerwitz failed to keep a separate record for each beneficiary of said funds showing the date of each related disbursement, the check number of each related disbursement, and the balance after posting transactions of any date.

XIV

In connection with the property management activities, respondent Jane Kerry Koerwitz failed to review, initial and date, within five (5) working days after preparation, instruments prepared or signed by real estate salespersons and which have a material effect upon the rights or obligations of the parties to the transactions.

XV

Respondent Jane Kerry Koerwitz, has taken steps to correct deficiencies found in the Department of Real Estate audit. The bookkeeping system has been changed to the Safeguard System, she has actively participated in the property management part of the business with day-to-day operations being performed by her daughter who is a licensed salesperson and educated in accounting, an independent audit is being performed and \$7,259.80 has been placed in escrow to cover shortfalls found by the Department of Real Estate audit.

XVI

Respondent Karen Lynne Lake stipulated, for the purposes of this proceeding only, that the allegations contained in the Accusation (Exhibit 1), that pertain to her, are true and correct.

DETERMINATION OF ISSUES

I

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code sections 10145 and 10177(d), and California Code of Regulations section 2832.1 by reason of Finding VII and VIII.

II

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code section 10177(d) and California Code of Regulations section 2725 by reason of Findings VI and XIV.

III

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code sections 10177(g) and (h) by reason of Finding VI, VII, VIII, IX, X, XI, XII, XIII, and XIV.

IV

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code section 10177(d) and California Code of Regulations section 2831.1 by reason of Finding XIII.

V

Cause for discipline of respondent Jane Kerry Koerwitz's license was established for violation of Business and Professions Code section 10137 by reason of Finding V.

VI

Cause for discipline of respondent Jane Kerry Koerwitz's and Karen Lynne Lake's license was established for violation of Business and Professions Code sections 10145 and 10177(d) and California Code of Regulations section 2832 by reason of Finding IX.

VII

Cause for discipline of respondents Jane Kerry Koerwitz's and Jim Lou Koerwitz's license was established for violation of Business and Professions Code sections 10145 and 10176(e) by reason of Findings X and XI.

VIII

Cause for discipline of respondent Karen Lynne Lake's license was established for violation of Business and Professions Code sections 10130, and 10177(d) by reason of Findings V and XVI.

ORDER

I

Real estate salesperson's license and all license rights of respondent Jim Lou Koerwitz are hereby revoked.

II

Real estate salesperson's license and all license rights of respondent Karen Lynne Lake are hereby 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 and pays to the Department the appropriate fees for said license within sixty (60) days of the effective date of this Decision upon the following terms and conditions:

- A. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license, nor the removal of any of the restrictions of the restricted license, until one (1) year has elapsed from the effective date of the Decision.
- B. Respondent's original real estate salesperson's license was issued subject to provisions of section 10153.4 of the Business and Professions Code, and the restricted real estate salesperson's license issued to

respondent shall be similarly limited, to wit:  
respondent shall, within eighteen (18) months  
of the issuance of respondent's original real  
estate salesperson's license under the provi-  
sions of section 10153.4 of the Business and  
Professions Code, submit evidence satisfactory  
to the Commissioner of successful completion,  
at an accredited institution, of two of the  
courses listed in section 10153.2, other than  
real estate principles, advance legal aspects  
of of real estate, advance real estate finance  
or advance real estate appraisal. If respon-  
dent fails to present satisfactory evidence  
of successful completion of said courses, the  
restricted license shall be automatically  
suspended effective eighteen (18) months after  
issuance of respondent's original real estate  
salesperson's license. Said suspension shall  
not be lifted until respondent has submitted  
the required evidence of course completion and  
the Commissioner has given written notice to  
respondent of the lifting of the suspension.

- C. Any restricted license issued to respondent  
may be suspended prior to hearing by order of  
the Commissioner in the event that respondent  
is convicted (including a plea of nolo contende-  
re) of any crime which bears a substantial  
relationship to respondent's fitness to be a  
real estate licensee or as otherwise provided  
by law.
- D. Respondent shall comply with all the laws to  
which she is subject, including all the provi-  
sions of the California Real Estate Law, the  
Subdivided Lands Law, and all regulations of  
the Real Estate Commissioner.
- E. With the application for a license, or with  
the application for transfer to a new  
employing broker, respondent shall submit a  
statement signed by the prospective employing  
broker on a form approved by the Department of  
Real Estate wherein the employing broker shall  
certify as follows:
1. Broker has read the Accusation which is  
the basis for the issuance of the  
restricted license;
  2. Broker will carefully review all transac-  
tion documents prepared by the restricted  
licensee and otherwise exercise close  
supervision over the licensee's  
performance of acts for which a license  
is required.

- F. The restricted real estate salesperson's license issued to respondent pursuant to this Decision shall be suspended for five (5) days from the effective date of issuance of said restricted license.

### III

All real estate licenses and licensing rights issued to respondent Jane Kerry Koerwitz by the Department of Real Estate are revoked; provided, however, a restricted real estate license shall be issued to respondent pursuant to section 10156.5 of the Business and Professions Code if respondent makes application therefor within thirty days from the effective date of this decision. The restricted license issued to respondent shall be subject to all of the provisions of section 10156.7 of the Business and Professions Code and to the following limitations, conditions and restrictions imposed under authority of section 10156.6 of that Code:

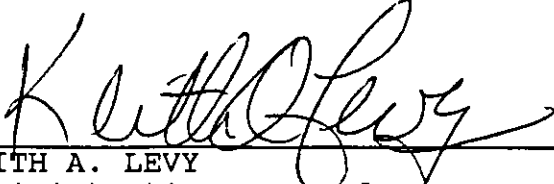
- A. Respondent shall associate with another broker, acceptable to the Department of Real Estate, who shall exercise close supervision over her performance and all her employees related to activities for which a real estate license is required. The supervising broker shall review, initial and date all documents required to be so handled by respondent pursuant to California Code of Regulations section 2725(a). Respondent shall submit the name of her intended supervising associate broker to the Department of Real Estate within ninety (90) days. The Department of Real Estate shall approve or disapprove of the supervising associate broker named by respondent, within sixty (60) days.
- B. Within one (1) year from the effective date of this Decision, respondent shall cause an independent audit to be performed of all client trust accounts, the result of which are to be submitted to the Department of Real Estate. All costs attributable to the audit and report to be submitted to the Department shall be paid by respondent and the Department shall incur no costs as a result of the certified audit. Respondent shall comply with this requirements for each of the two (2) succeeding years during which its license is restricted.
- C. 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 bears a significant

relation to respondent's fitness or capacity as a real estate licensee.

- D. 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.
- E. 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 three (3) years have elapsed from the date of issuance of the restricted license to respondent.
- F. Respondent shall, within six (6) months from the effective date of this decision, present evidence satisfactory to the Real Estate Commissioner that respondent 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.

Dated: \_\_\_\_\_

*December 21, 1988*

  
\_\_\_\_\_  
KEITH A. LEVY  
Administrative Law Judge  
Office of Administrative Hearings

**FILED**  
AUG 15 1988

**BEFORE THE  
DEPARTMENT OF REAL ESTATE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA**

By Lauree A. Zyan

*In the Matter of the Accusation of*

JANE KERRY KOERWITZ,  
et al.,

Case No. H-2339 SAC.

OAH No. N-32025

Respondent(s)

**NOTICE OF HEARING ON ACCUSATION**

**To the above named respondent:**

**You are hereby notified** that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 501 J Street, Suite 220 (2nd Floor Hearing Rooms), Sacramento California 95814 on the 30th day of November, 1988, at the hour of 9:00 a.m., or as soon thereafter as the matter can be heard, upon the charges made in the Accusation served upon you.

You may be present at the hearing, and you may be represented by counsel, but you are neither required to be present at the hearing nor to be represented by counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you upon any express admissions, 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 hearing officer 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 hearing officer directs otherwise.

DEPARTMENT OF REAL ESTATE

Dated: 08/15/88

By Larry Alamao  
LARRY A. ALAMA O Counsel



1 LARRY A. ALAMAO, Counsel  
2 Department of Real Estate  
3 P. O. Box 187000  
4 Sacramento, CA 95818-7000  
5  
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8  
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11 (916) 739-3607

**FILED**  
JUL 13 1989  
DEPARTMENT OF REAL ESTATE

*Laurie A. Ryan*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

11 In the Matter of the Accusation of )  
12 JANE KERRY KOERWITZ, )  
13 JIM LOU KOERWITZ, and )  
14 KAREN LYNNE LAKE. )  
Respondent. )

NO. H-2339 SAC  
ACCUSATION

16 The Complainant, Charles W. Koenig, a Deputy Real Estate  
17 Commissioner of the State of California, for cause of Accusation  
18 against JANE KERRY KOERWITZ (hereinafter "Respondent JANE  
19 KOERWITZ"), JIM LOU KOERWITZ (hereinafter "Respondent JIM  
20 KOERWITZ"), and KAREN LYNNE LAKE (hereinafter "Respondent LAKE")  
21 is informed and alleges as follows:

FIRST CAUSE OF ACCUSATION

I

24 The Complainant, Charles W. Koenig, a Deputy Real Estate  
25 Commissioner of the State of California, makes this Accusation in  
26 his official capacity.

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II

Respondent JANE KOERWITZ, Respondent JIM KOERWITZ and Respondent LAKE are presently licensed and/or have license rights under the Real Estate Law (Part 1 of Division 4 of the California Business and Professions Code) (Code).

III

At all times herein mentioned, Respondent JANE KOERWITZ was licensed as a real estate broker doing business as Century 21 - Koerwitz Realty.

IV

At all times herein mentioned, Respondent JIM KOERWITZ was licensed as a real estate salesperson acting in the employ of Respondent JANE KOERWITZ.

V

At all times herein mentioned, Respondent LAKE was licensed as a real estate salesperson effective November 16, 1987 acting in the employ of Respondent JANE KOERWITZ.

VI

Beginning on or before December 1, 1984, Respondent JANE KOERWITZ acting on behalf of another or others and in expectation of compensation, leased or rented, offered to lease or rent, solicited prospective tenants or collected rents from certain rental real properties located in or near West Sacramento, California.

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VII

During the course of the property management activities described in Paragraph VI, Respondent JANE KOERWITZ and Respondent LAKE received and disbursed funds held in trust on behalf of another or others. Said funds were held in First Northern Bank of Dixon Bank Trust Account No. 05-01197-8.

VIII

In connection with the collection or disbursement of said trust funds, Respondent JANE KOERWITZ failed to deposit and maintain said funds in said bank account or disbursed said funds in such a manner that as of March 3, 1988, there was a shortage of \$16,259.89 of trust funds in said bank account.

IX

Respondent failed to obtain the prior written consent of her principal for the reduction of the aggregate balance of trust funds in said bank account to an amount less than the existing aggregate trust fund liability to the owners of said funds.

X

In connection with the collection of the trust funds described in Paragraph VII, Respondent JANE KOERWITZ and Respondent LAKE failed to deposit trust funds received by them into a bank trust account not later than the next business day following receipt by them of said trust funds.

XI

On or about June 3, 1987, Respondents JIM KOERWITZ and JANE KOERWITZ disbursed, caused to be disbursed or allowed to be disbursed \$8,000.00 from the bank trust account described in

1 Paragraph VII for their own use or benefit or for purposes not  
2 authorized by the rightful owners of said funds.

3 XII

4 On or about December 11, 1987, Respondents JIM KOERWITZ  
5 and JANE KOERWITZ disbursed, caused to be disbursed or allowed to  
6 be disbursed \$1,000.00 from the bank trust account described in  
7 Paragraph VII for their own use or benefit or for purposes not  
8 authorized by the rightful owners of said funds.

9 XIII

10 Respondents JIM KOERWITZ and JANE KOERWITZ commingled  
11 the funds described in Paragraph XI and XII with their own money  
12 or property.

13 XIV

14 In connection with the collection and disbursement of  
15 trust funds described in Paragraph VII, Respondent JANE KOERWITZ  
16 failed to keep a separate record for each beneficiary of said  
17 funds showing the date of each related disbursement, the check  
18 number of each related disbursement and the balance after posting  
19 transactions on any date.

20 XV

21 In connection with the property management activities  
22 described in Paragraph VI, Respondent JANE KOERWITZ failed to  
23 review, initial and date, within five (5) working days after  
24 preparation, instruments prepared or signed by real estate  
25 salespersons and which have a material effect upon the rights or  
26 obligations of the parties to the transactions.

27 ///

The acts or omissions of Respondents described above are grounds for the suspension or revocation of Respondents' licenses under the following sections of the Code:

(1) As to Paragraphs VIII and IX and Respondent JANE KOERWITZ under Section 10145 of the Code and under Section 10177(d) of the Code in conjunction with Section 2832.1 of Title 10, California Code of Regulations (Regulations).

(2) As to Paragraph X and Respondents JANE KOERWITZ and LAKE under Section 10145 of the Code and under Section 10177(d) of the Code in conjunction with Section 2832 of the Regulations.

(3) As to Paragraphs XI, XII, and XIII and Respondents JANE KOERWITZ and JIM KOERWITZ under Sections 10145 and 10176(e) of the Code.

(4) As to Paragraph XIV and Respondent JANE KOERWITZ under Section 10177(d) of the Code in conjunction with Section 2831.1 of the Regulations.

(5) As to Paragraph XV and Respondent JANE KOERWITZ under Section 10177(d) of the Code in conjunction with Section 2725 of the Regulations.

(6) As to Paragraphs VIII, IX, X, XI, XII, XIII, XIV and XV and Respondent JANE KOERWITZ under Section 10177(g) of the Code and Section 10177(h) of the Code.

SECOND CAUSE OF ACCUSATION

There is hereby incorporated in this second, separate and distinct cause of Accusation, all of the allegations contained in Paragraphs I, II, III, V and VI of the First Cause of

1 Accusation with the same force and effect as if herein fully set  
2 forth.

3 XVII

4 Beginning on or about May 1, 1987 and continuing through  
5 November 16, 1987, Respondent JANE KOERWITZ compensated and  
6 employed Respondent LAKE for performing acts for which a real  
7 estate license is required.

8 XVIII

9 Respondent LAKE was not licensed as a real estate  
10 salesperson or in any other capacity until November 16, 1987.

11 XIX

12 The facts alleged above are grounds for the suspension  
13 or revocation of Respondent JANE KOERWITZ license under Section  
14 10137 of the Code.

15 XX

16 The facts alleged above are grounds for the suspension  
17 or revocation of Respondent LAKE's license under Section 10130 of  
18 the Code in conjunction with Section 10177(d) of the Code.

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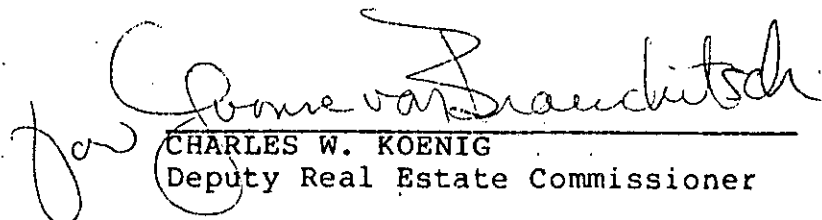
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1           WHEREFORE, Complainant prays that a hearing be conducted  
2 on the allegations of this Accusation and that upon proof thereof,  
3 a decision be rendered imposing disciplinary action against all  
4 license and license rights under the Real Estate Law (Part 1 of  
5 Division 4 of the Business and Professions Code) of Respondents  
6 JANE KOERWITZ, JIM KOERWITZ and LAKE, and for such other and  
7 further relief as may be proper under the provisions of law.

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*for*   
CHARLES W. KOENIG  
Deputy Real Estate Commissioner

Dated at Sacramento, California  
this 12 day of July, 1988.