



1 in this matter arose directly from a transaction in which  
2 Respondent was performing acts for which a real estate license is  
3 required. Respondent has no experience acting in a fiduciary  
4 capacity since the effective date of the Decision in this matter.  
5 Consequently, Respondent is not able to present any evidence of  
6 compliance with Section 2911(j), Title 10, California Code of  
7 Regulations. Due consideration has also been given to the serious  
8 nature of the violation which served as the basis for the  
9 disciplinary action in this matter. I am satisfied, however, that  
10 it will not be against the public interest to issue a restricted  
11 real estate salesperson license to Respondent.

12 NOW, THEREFORE, IT IS ORDERED that Respondent's petition  
13 for reinstatement of his real estate salesperson license is  
14 denied.

15 A restricted real estate salesperson license shall be  
16 issued to Respondent pursuant to Section 10156.5 of the Business  
17 and Professions Code, if Respondent satisfies the following  
18 conditions within six (6) months from the date of this Order:

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

21 2. Submittal of evidence of having, since the most  
22 recent issuance of an original or renewal real estate license,  
23 taken and successfully completed the continuing education  
24 requirements of Article 2.5 of Chapter 3 of the Real Estate Law  
25 for renewal of a real estate license.

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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. 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.

B. 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.

C. Respondent shall submit with any application for  
license under an employing broker, or any application for transfer  
to a new employing broker, a statement signed by the prospective  
employing broker on a form approved by the Department of Real  
Estate which shall certify:

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

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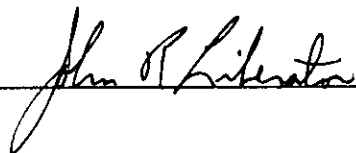
(2) That the employing broker will exercise close supervision over the performance by the restricted licensee relating to activities for which a real estate license is required.

D. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor the removal of any of the limitations, conditions or restrictions of a restricted license until one (1) year has elapsed from the date of the issuance of the restricted license to respondent.

This Order shall be effective immediately.

DATED: April 17, 1995

JOHN R. LIBERATOR  
Interim Commissioner

  
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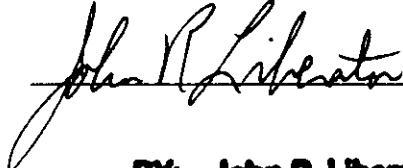
1 in this matter arose directly from a transaction in which  
2 Respondent was performing acts for which a real estate license is  
3 required. As a result of that conviction, Respondent was placed  
4 on probation until April 30, 1994. Consequently, Respondent has  
5 not completed probation in this matter and has not established his  
6 rehabilitation.

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

10 This Order shall become effective at 12 o'clock  
11 noon on November 23, 1993.

12 DATED: November 1, 1993

13 CLARK WALLACE  
14 Real Estate Commissioner

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17 **BY: John R. Liberator**  
18 **Chief Deputy Commissioner**

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BEFORE THE  
DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation )  
Against: ) No. H-2712 SAC  
KENNETH ROBIN GRUETTER, ) OAH No. N-39387  
Respondent. )

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PROPOSED DECISION

On December 12, 1991, in Sacramento, California, Leonard L. Scott, Administrative Law Judge, Office of Administrative Hearings, State of California, heard this matter.

Roland Adickes, Counsel, represented the complainant.

Albert Ellis, Attorney at Law, represented respondent Kenneth Robin Gruetter, who was also present.

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

FINDINGS OF FACT

I

Charles W. Koenig, Deputy Real Estate Commissioner, State of California, filed the Accusation against respondent. Koenig acted in his official capacity.

II

Respondent is licensed as a real estate salesperson in the State of California with license number 00627423. It was in full force and effect at all times relevant to this matter and will expire on October 11, 1993, if not renewed.

III

On or about February 6, 1991, in the United States District Court, Eastern District of California, respondent was convicted, on a plea of guilty, of the criminal offense of Bank Fraud in violation of Title 18, United States Code, section 1344(a)(1), a felony and a crime involving moral turpitude which is substantially related to the qualifications, functions and duties of a real estate licensee.

Respondent, while acting as a real estate salesperson, assisted home purchasers in the submission of false financial information to Home Savings of America in order to secure financing for their purchase of homes through respondent.

IV

Respondent has an associate degree from a junior college and has sold real estate since 1977. When he helped the buyers submit false income tax returns in order to get loans, he clearly knew that what he was doing was wrong but he did it anyway to collect his commission on the sales. It would be difficult for any offense to be more related to the licensed activity.


DETERMINATION OF ISSUES

Cause for discipline of respondent's license for violation of Business and Professions Code sections 490 and 10177(b) was established by Findings III and IV.

ORDER

The license issued to respondent Kenneth Robin Gruetter  
is revoked.

Dated: January 3 1992

  
LEONARD L. SCOTT  
Administrative Law Judge  
Office of Administrative Hearings

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

FILED  
OCT 16 1991  
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of

KENNETH ROBIN GRUETTER,

Respondent

By Kathleen Contreras

Case No. H-2712 SAC

OAH No. N-39387

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), Sacramento, CA 95814

on the 12th day of December, 1991, at the hour of 1:30 PM, or as soon thereafter as the matter can be heard, upon 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 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: October 16, 1991

DEPARTMENT OF REAL ESTATE

By Roland Adickes  
ROLAND ADICKES Counsel

1 ROLAND ADICKES, Counsel  
Department of Real Estate  
2 P. O. Box 187000  
Sacramento, CA 95818-7000

4 Telephone: (916) 739-3607

FILED  
SEP 18 1991  
DEPARTMENT OF REAL ESTATE

By *Kathleen Contreras*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

11 In the Matter of the Accusation of )  
12 KENNETH ROBIN GRUETTER, ) NO. H-2712 SAC  
13 Respondent. ) ACCUSATION  
14 \_\_\_\_\_ )

15 The Complainant, Charles W. Koenig, a Deputy Real Estate  
16 Commissioner of the State of California for cause of Accusation  
17 against KENNETH ROBIN GRUETTER (hereinafter "Respondent") is  
18 informed and alleges as follows:

19 I

20 Respondent is presently licensed and/or has license  
21 rights under the Real Estate Law, Part 1 of Division 4 of the  
22 Business and Professions Code (hereinafter "Code") as a real  
23 estate salesperson.

24 II

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

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III

On or about May 1, 1991, in the United States District Court, Eastern District of California, Respondent was convicted of violation of Section 1344(a)(1) of the Title 18, U.S.C. (Bank Fraud), a crime involving moral turpitude which is substantially related under Section 2910, Title 10, California Code of Regulations to the qualifications, functions, or duties of a real estate licensee.

IV

The facts alleged above constitute cause under Sections 490 and 10177(b) of the Code for suspension or revocation of all licenses and license rights of Respondent under the Real Estate Law.

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 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 provisions of law.

  
CHARLES W. KOENIG  
Deputy Real Estate Commissioner

Dated at Sacramento, California,  
this 16<sup>th</sup> day of September, 1991.