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**FILED**  
SEP 25 2018

DEPARTMENT OF REAL ESTATE  
By R. Posada

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of  
  
LILLIAN MARY SHINE,  
  
Respondent.

No. H-04764 SD

ORDER DENYING REINSTATEMENT OF LICENSE  
BUT GRANTING RIGHT TO A RESTRICTED LICENSE

On December 31, 2015, in Case No. H-04764 SD, 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 January 28, 2016.

On January 12, 2018, 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).

I have considered Respondent's petition and the evidence submitted in support

1 thereof.

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

5  
6 ***2911. Criteria for Rehabilitation***

7 (a) (1) The time that has elapsed since commission of the acts(s) or offense(s):  
8 (A) The passage of less than two years after the most recent criminal conviction  
9 or act of the applicant that is a cause of action in the Bureau's Statement of Issues  
10 against the applicant is inadequate to demonstrate rehabilitation.

11 (B) Notwithstanding subdivision (a)(1)(A), above, the two year period may be  
12 increased based upon consideration of the following:

13 (i) The nature and severity of the crime(s) and/or act(s) committed by the  
14 Applicant.

15 Although the acts that led to Respondent's license discipline occurred over two  
16 years ago, the nature and severity of these acts necessitates more time to determine full  
17 rehabilitation by Respondent. The Department received six complaints from victims of  
18 Respondent's rental property business, claiming that Respondent did not return owner proceeds  
19 and security deposits owed to them. In addition, the Department's audit of Respondent's trust  
20 fund records revealed a shortage of over \$50,000.

21 (a)(11) Correction of business practices resulting in injury to others or with the  
22 potential to cause such injury.

23 Since Respondent has not worked in the real estate industry since her license  
24 discipline, she has not demonstrated that she corrected the business practices that resulted in  
25 injury to others. Real Estate brokers have access to the money, property and personal  
26 information of others, with little to no supervision. Respondent must demonstrate her  
27 trustworthiness while operating as a real estate licensee, under the close supervision of a broker.

1 Respondent has failed to demonstrate to my satisfaction that Respondent has  
2 undergone sufficient rehabilitation to warrant the reinstatement of Respondent's unrestricted real  
3 estate broker license.

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

6 A restricted real estate salesperson license shall be issued to Respondent pursuant  
7 to Section 10156.5 of the Business and Professions Code, if Respondent satisfies the following  
8 conditions prior to and as a condition of obtaining a restricted real estate salesperson license  
9 within twelve (12) months from the effective date of this Order:

10 1. Submits a completed application and pays the fee for a real estate  
11 salesperson license within the 12 month period following the effective date of this Order; and

12 2. Submits proof that Respondent has completed the continuing education  
13 requirements for renewal of the license sought. The continuing education courses must be  
14 completed either (i) within the 12 month period preceding the filing of the completed  
15 application, or (ii) within the 12 month period following the effective date of this Order.

16 The restricted license issued to Respondent shall be subject to all of the provisions  
17 of Section 10156.7 of the Business and Professions Code and to the following limitations,  
18 conditions and restrictions imposed under authority of Section 10156.6 of that Code:

19 A. The restricted license issued to Respondent may be suspended prior to  
20 hearing by Order of the Real Estate Commissioner in the event of Respondent's conviction or  
21 plea of nolo contendere to a crime which is substantially related to Respondent's fitness or  
22 capacity as a real estate licensee.

23 B. The restricted license issued to Respondent may be suspended prior to  
24 hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner  
25 that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands  
26 Law, Regulations of the Real Estate Commissioner or conditions attaching to the restricted  
27 license.

1                    C. Respondent shall not be eligible to apply for the issuance of an  
2 unrestricted real estate license nor the removal of any of the limitations, conditions or restrictions  
3 of a restricted license until two (2) years have elapsed from the date of the issuance of the  
4 restricted license to Respondent.

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

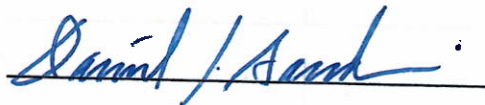
9                    1. That the employing broker has read the Decision of the Commissioner  
10 which granted the right to a restricted license; and

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

14  
15                    This Order shall become effective at 12 o'clock noon on OCT 15 2018

16                    IT IS SO ORDERED September 19, 2018

17                    DANIEL J. SANDRI  
18                    ACTING REAL ESTATE COMMISSIONER

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