

AUG 29 2024
DEPARTMENT OF REAL ESTATE
By B dew

* * *

1 I find that there is good cause to reconsider the Decision of July 29, 2024, for the
2 limited purpose of determining whether the costs imposed against Respondent by said Order
3 should be reduced. Reconsideration is granted.

4 Respondent argues that good cause exists to consider the reasonableness of the
5 amount of the \$8,594 award because of a significant financial hardship that would essentially mean
6 that Respondent cannot obtain a restricted real estate broker license. Respondent submitted a
7 Declaration, under penalty of perjury, that explained her financial hardship.

8 Government Code Section 11517(c)(2)(B) permits the Department of Real Estate to
9 “[r]educe or otherwise mitigate the proposed penalty and adopt the balance of the proposed
10 decision.”

11 Good cause existing that demonstrates a significant financial hardship, and for the
12 reasons set forth in Respondent’s petition for reconsideration of fees assessed, the July 29, 2024
13 Decision is amended to reduce the costs awarded from \$8,594 to \$4,297. The remaining portions
14 of the Decision are upheld in their entirety.

15
16 IT IS SO ORDERED effective August 29, 2024.

17 Chika Sunquist
18 REAL ESTATE COMMISSIONER

19 

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21 By: Marcus L. McCarther
22 Chief Deputy Real Estate Commissioner
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FILED

AUG 22 2024

DEPARTMENT OF REAL ESTATE

By B. dew

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of:	)	DRE NO. H-7284 SAC
	)	
CAROL JEAN HAHN,	)	OAH NO. 2024010250
	)	
Respondent.	)	

ORDER STAYING EFFECTIVE DATE

On July 29, 2024, a Decision was rendered in the above-entitled matter to become effective August 20, 2024.

IT IS HEREBY ORDERED that the effective date of August 20, 2024, is stayed for a period of 10 days to consider Respondent's Petition for Reconsideration.

The Decision of July 29, 2024, shall become effective at 12 o'clock noon on August 30, 2024.

DATED: August 21, 2024

CHIKA SUNQUIST
REAL ESTATE COMMISSIONER


By: Marcus L. McCarther
Chief Deputy Real Estate Commissioner

FILED

JUL 30 2024

DEPARTMENT OF REAL ESTATE

By B. deul

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of:) DRE No. H-7284 SAC
CAROL JEAN HAHL,) OAH No. 2024010250
Respondent.)

DECISION

The Proposed Decision dated June 28, 2024, of the Administrative Law Judge of the Office of Administrative Hearings, is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

The Decision suspends or revokes one or more real estate licenses, but the right to a restricted broker license is granted to Respondent.

Pursuant to Government Code Section 11521, the Department of Real Estate (the Department) may order reconsideration of this Decision on petition of any party. The party seeking reconsideration shall set forth new facts, circumstances, and evidence, or errors in law or analysis, that show(s) grounds and good cause for the Commissioner to reconsider the Decision. If new evidence is presented, the party shall specifically identify the new evidence and explain why it was not previously presented. The Department's power to order reconsideration of this Decision shall expire 30 days after mailing of this Decision, or on the effective date of this Decision, whichever occurs first.

The right to reinstatement of a revoked real estate license or to the reduction of a penalty is controlled by Section 11522 of the Government Code. A copy of Sections 11521 and 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

This Decision shall become effective at 12 o'clock noon on AUG 20 2024.

IT IS SO ORDERED 7/29/2024

Chika Sunquist
REAL ESTATE COMMISSIONER

By: [REDACTED]
Marcus L. McCarther
Chief Deputy Real Estate Commissioner

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

In the Matter of the First Amended Accusation Against:

CAROL JEAN HAHL, Respondent

Agency Case No. H-7284 SAC

OAH No. 2024010250

PROPOSED DECISION

Sean Gavin, Administrative Law Judge (ALJ), Office of Administrative Hearings (OAH), State of California, heard this matter by videoconference on May 29, 2024, from Sacramento, California.

Megan Lee Olsen, Staff Counsel, represented Tricia D. Parkhurst (complainant), Supervising Special Investigator, Department of Real Estate (Department or DRE).

Carol Jean Hahl (respondent) appeared without an attorney.

Evidence was received, the record closed, and the parties submitted the matter for decision on May 29, 2024.

FACTUAL FINDINGS

Jurisdictional Matters

1. On May 9, 1975, the Department issued respondent salesperson license number B/00517212 (license). On July 18, 1986, the Department converted the license to a broker's license with the same number. On September 6, 2022, the broker's license expired. The Department may discipline an expired license. (Bus. & Prof. Code, § 10103.)

2. From July 10, 1987, through March 24, 2024, respondent was licensed as an officer of Talcon Corporation, which held license number C/00964725 from the Department.

3. On October 21, 2022, the Department issued corporate license number C/02202077 to Carol Hahl Real Estate Services, Inc. (CHRESI), with respondent as the designated officer. CHRESI's corporate license is scheduled to expire October 20, 2026, unless renewed.

4. On October 26, 2023, complainant filed an Accusation seeking to discipline respondent's license and licensing rights for willfully disregarding or violating the laws and regulations governing Department licensees and for demonstrating negligence or incompetence in performing an act for which a license is required. Specifically, complainant alleged that between May 1, 2021, and May 31, 2022, respondent: (1) engaged in property management activities on behalf of CHRESI before CHRESI was licensed; (2) maintained a shortage in a trust account; (3) failed to obtain written permission from the owners of trust funds to allow the balance to fall below accountability; (4) failed to reconcile the trust fund balance monthly and/or

keep records of having done so; (5) failed to properly account for trust funds; and (6) failed to properly designate the bank account as a trust account.

5. Respondent timely filed a Notice of Defense. On May 15, 2024, complainant filed an Amendment to Accusation to replace the phrase "Operating Account" with "Bank Account #1" in two places. Respondent's Notice of Defense was deemed responsive to the Amended Accusation. (Gov. Code, § 11506, subd. (c).) This hearing followed.

Complainant's Evidence

6. Karan Dogra has been a DRE auditor since 2010. His audits typically involve property management activities, real estate sales, and mortgage loan companies. He has a bachelor's degree in accounting from California State University, Sacramento, and is familiar with the laws and regulations that govern DRE licensees.

7. Between October 2022 and April 2023, Mr. Dogra audited respondent's property management activities based on a complaint the Department received. The audit's purpose was to determine whether respondent handled and accounted for trust funds properly under the Department's laws and regulations. During his audit, Mr. Dogra reviewed respondent's accounting and other records from May 1, 2021, through May 31, 2022 (the audit period). The records included respondent's bank statements and signature card, her reserve fund report and control records, client invoices, lease agreements, and transaction files. He also interviewed respondent.

8. Based on his audit, Mr. Dogra concluded that during the audit period, respondent, doing business as CHRESI, managed approximately 20 properties with 25 units for approximately 15 owners. Specifically, in exchange for a management fee, she collected rents and security deposits for real property, solicited tenants, advertised,

coordinated repairs and maintenance, and distributed owner proceeds. Respondent used the same bank account for all trust funds, which was named "Carol Hahl Real Estate Services Inc Property Management Account" (Bank Account 1). Respondent did not designate Bank Account 1 as a trust account with herself or CHRESI identified as a trustee.

9. Mr. Dogra also found that, although respondent maintained funds for multiple clients in Bank Account 1, she did not keep separate beneficiary or transaction records. Nor did she reconcile the account monthly to compare the balances for each beneficiary to the amounts received and disbursed.

10. Finally, Mr. Dogra found that as of May 31, 2022, the balance in Bank Account 1 was \$1,859.43 less than the total amount respondent owed to the owners of the funds. Specifically, based on the documents respondent provided, Mr. Dogra determined Bank Account 1 should have held \$14,000 for its beneficiaries, but had just \$12,140.57. Mr. Dogra further confirmed respondent did not obtain written permission from the owners of the trust funds to allow the account liabilities to exceed the account balance.

11. Complainant submitted Mr. Dogra's audit report and its supporting paperwork into evidence. At hearing, Mr. Dogra testified consistently with his report. He also added that, after he completed his audit report, respondent submitted more recent documentation to him. The newer documentation showed CHRESI was licensed. Additionally, Mr. Dogra believes respondent corrected the shortage in Bank Account 1, but he did not complete a full secondary audit to be certain.

Respondent's Evidence

12. Respondent testified at hearing. She has worked as a real estate professional for almost 50 years, beginning in 1975. In that time, she maintained a "perfectly clean record." In approximately 2021, she transitioned from traditional broker activities to property management because she did not have time to stay current on technological advancements within the industry. She characterized CHRESI as a "small operation," through which she presently manages 12 properties. She acknowledged operating CHRESI before the Department licensed it. She also acknowledged she did not know to designate Bank Account 1 as a trust account. She regrets and apologizes for her errors. She has since obtained a license for CHRESI, ordered new business cards and promotional materials with the correct license information, and properly designated Bank Account 1 as a trust account.

13. As part of her property management service, respondent provides each property owner with a monthly income and expense statement that shows how much she collected and disbursed. No client has ever complained about the contents of respondent's income and expense statements.

14. Respondent was unaware the balance in Bank Account 1 fell below the amount she held for her clients until Mr. Dogra brought it to her attention. She was in the process of changing banks and bookkeepers at the time, which created "absolute chaos." At hearing, she questioned whether the account truly carried a shortage. She insisted the \$1,859.43 "never came into the office" because she believes "there's no way \$1,860 came in and didn't have somewhere to go." She explained there "must have been a bookkeeping error." At the time, she used a bookkeeper who she now realizes was less competent than she originally believed. Respondent now uses a different bookkeeper and believes her records are thorough and complete. After the

audit report, respondent submitted new documents to Mr. Dogra, which she believes showed she corrected her non-compliant bookkeeping.

15. Before hiring her current bookkeeper, respondent did not reconcile Bank Account 1 monthly. She did her own version of reconciliation using a commercial accounting software program, but she now understands those reconciliations did not include all the information the Department requires.

16. Respondent believes she now operates CHRESI consistent with the Department's requirements. She wants to comply with the laws and regulations governing property managers. At hearing, she submitted documents from June 2023 through May 2024 consisting of separate records for each property she manages. She believes these records demonstrate she has corrected the deficiencies identified in the First Amended Accusation. Additionally, respondent belongs to the California Apartment Association (CAA), an industry trade group that provides information and advice to property owners, investors, and managers. Respondent receives occasional help and training from CAA. She has not attended any recent courses on any of the alleged violations, including managing trust funds.

Analysis

17. Many of the facts in this matter are undisputed. Respondent managed properties through CHRESI before obtaining a corporate license for the company. She maintained Bank Account 1 without properly designating it as a trust account. Within that account, she held funds for multiple clients but did not maintain separate records or properly reconcile the account monthly. Although she disputed allowing the account's liabilities to exceed its balance, she acknowledged she did not obtain written permission from her clients for such a circumstance.

18. As a result, the only disputed allegation is whether respondent allowed Bank Account 1 to have a shortage as of May 31, 2022. As to that allegation, complainant's evidence was clear, convincing, and more persuasive than respondent's evidence. Specifically, Mr. Dogra reviewed the records respondent provided and calculated the exact amount Bank Account 1 should have held. He then subtracted the balance and determined the account held \$1,859.43 less than it should have. His testimony was straightforward, easy to follow and understand, and supported by written documents.

19. In contrast, respondent did not understand how the account could be short in large part because she believed "there's no way \$1,860 came in and didn't have somewhere to go." However, she also explained she was experiencing "absolute chaos" at that time due to changing banks and bookkeepers concurrently. Additionally, respondent acknowledged she did not reconcile the account monthly consistent with the Department's requirements, which further undermines her position. For those reasons, in addition to the other allegations, complainant proved that as of May 31, 2022, respondent's Bank Account 1 held approximately \$1,860 less than it should have.

20. Furthermore, complainant proved respondent's misconduct occurred because she did not fully know the laws and regulations governing licensees engaging in property management. Thus, complainant proved respondent's actions were the result of negligence.

21. Once complainant proves cause to discipline respondent's license, the Commissioner must then select the appropriate discipline while considering whether respondent demonstrated rehabilitation. (Bus. & Prof. Code, § 482, subd. (b)(2).) The Commissioner maintains criteria to evaluate the rehabilitation of licensees, which

include the time that has elapsed since the misconduct, whether respondent has corrected any deficient business practices, and whether respondent's attitude has changed from when she engaged in the misconduct. (Cal. Code Regs., tit. 10, § 2912.)

22. Here, respondent's misconduct occurred between two and three years ago, which is fairly recent. Since receiving the audit report, she has taken steps to correct her faulty business practices. Specifically, she obtained a license for CHRESI and properly designated Bank Account 1 as a trust account. Additionally, she hired a new bookkeeper and submitted separate records for the properties she manages to show she can and has complied with Department requirements. Through her actions, respondent demonstrated she took the matter seriously and arranged her business appropriately to avoid similar misconduct in the future. In doing so, respondent presented strong evidence of rehabilitation.

23. The purpose of an administrative disciplinary action is not to punish the licensee for her misconduct, but rather to ensure she does not exercise her license privileges contrary to the public interest. (*Camacho v. Youde* (1979) 95 Cal. App. 3d 161, 164.) Based on respondent's rehabilitation, coupled with her nearly 50-year history as a licensee with no prior discipline, it would be unduly punitive to revoke her license. Rather, the appropriate discipline is to issue respondent a restricted license. Additionally, because respondent's misconduct included trust fund violations, she shall be required to complete continuing education on trust fund handling, as detailed in the Order below.

Costs

24. Under Business and Professions Code section 10106, subdivision (a), the Department may seek to recover reasonable costs of the investigation and

enforcement of a case. Complainant submitted a Certified Statement of Investigation Costs of \$1,705.75 for 21.25 hours of investigation time. Attached to the certification is a printout detailing the investigative tasks performed and the time spent on those tasks. Complainant also submitted a Certified Statement of Enforcement Costs, which indicates Ms. Olsen incurred \$1,470 in costs for 12.25 hours of time enforcing this matter.

25. Under Business and Professions Code section 10148, subdivision (b), the Real Estate Commissioner (Commissioner) shall charge a real estate broker for the cost of any audit, if the Commissioner finds, after an administrative disciplinary hearing such as this one, that the broker violated Business and Professions Code section 10145 or a regulation or rule interpreting that section. Complainant seeks to recover its audits costs and submitted a Certified Statement of Audit Costs showing Mr. Dogra and his colleagues incurred \$5,418.25 for 92.75 hours of their time. Attached to the certification is a printout detailing the audit tasks performed and the time spent on those tasks.

26. Respondent objected to the investigation, enforcement, and audit costs as unreasonably excessive. She noted the audit process took more than one year. She stressed that she fully cooperated, promptly provided documents, and made herself available for an interview with Mr. Dogra. She also complained that Mr. Dogra missed two scheduled phone calls. The reasonableness of complainant's costs is addressed in the Legal Conclusions below.

LEGAL CONCLUSIONS

1. Complainant has the burden to prove the matters alleged in the Accusation by clear and convincing evidence to a reasonable certainty. (*Ettinger v. Bd. of Medical Quality Assurance* (1982) 135 Cal.App.3d 853, 855-856.) Clear and convincing evidence requires a finding of high probability, or evidence so clear as to leave no substantial doubt and sufficiently strong as to command the unhesitating assent of every reasonable mind. (*In re Michael G.* (1998) 63 Cal.App.4th 700, 709, fn. 6.)

2. In a disciplinary action such as this, respondent must prove rehabilitation. (*Whetstone v. Bd. of Dental Examiners* (1927) 87 Cal.App. 156, 164; Evid. Code, § 500.) The burden of proof is a preponderance of the evidence (Evid. Code, § 115), which means "more likely than not." (*Sandoval v. Bank of America* (2002) 94 Cal.App.4th 1378, 1388.)

Applicable Law

3. The Commissioner regulates and controls issuing and revoking all Department licenses. (Bus. & Prof. Code, § 10071.) The Real Estate Law, codified at Business and Professions Code (Code) section 11000 et seq., governs Department licensees. The Commissioner has adopted regulations that are reasonably necessary to enforce the Real Estate Law. (Code, § 10080.) The Commissioner's regulations (Regulations) are codified at California Code of Regulations, title 10, section 2700 et seq.

4. "It is unlawful for any person to engage in the business of, act in the capacity of, advertise as, or assume to act as a real estate broker or a real estate

salesperson within this state without first obtaining a real estate license from the department." (Code, § 10130.) Additionally, the Commissioner may discipline a professional license for willfully disregarding or violating the Real Estate Law or the Regulations, or for demonstrating negligence or incompetence in performing an act for which a Department license is required. (Code, § 10177, subds. (d), (g).)

5. Real estate brokers who accept funds belonging to others in connection with licensed activity "shall deposit all those funds that are not immediately placed into a neutral escrow depository or into the hands of the broker's principal, into a trust fund account maintained by the broker in a bank or recognized depository in this state." (Code, § 10145, subd. (a)(1).) To comply with this requirement, the account must be designated as a "trust fund account in the name of the broker, or in a fictitious name if the broker is the holder of a license bearing such fictitious name, as trustee." (Cal. Code Regs., tit. 10, § 2832, subd. (a).) "All funds deposited by the broker in a trust fund account shall be maintained there until disbursed by the broker in accordance with instructions from the person entitled to the funds." (Code, § 10145, subd. (a)(1).)

6. Within trust accounts, real estate brokers must maintain a separate record for each beneficiary or transaction:

A broker shall keep a separate record for each beneficiary or transaction, accounting for all funds which have been deposited to the broker's trust bank account and interest, if any, earned on the funds on deposit. This record shall include information sufficient to identify the transaction and the parties to the transaction. Each record shall set forth in chronological sequence the following information in columnar form: (1) Date of deposit; (2) Amount of deposit;

(3) Date of each related disbursement; (4) Check number of each related disbursement; (5) Amount of each related disbursement; (6) If applicable, dates and amounts of interest earned and credited to the account; and (7) Balance after posting transactions on any date.

(Cal. Code Regs., tit. 10, § 2831.1, subd. (a).)

7. Real estate brokers who hold funds in trust must also reconcile their trust accounts monthly:

The balance of all separate beneficiary or transaction records maintained pursuant to the provisions of Section 2831.1 must be reconciled with the record of all trust funds received and disbursed required by Section 2831, at least once a month, except in those months when the bank account did not have any activities. A record of the reconciliation must be maintained, and it must identify the bank account name and number, the date of the reconciliation, the account number or name of the principals or beneficiaries or transactions, and the trust fund liabilities of the broker to each of the principals, beneficiaries or transactions.

(Cal. Code Regs., tit. 10, § 2831.2.)

8. When real estate brokers handle funds for multiple beneficiaries, they may not allow the trust fund liabilities to exceed the trust fund balance without beneficiary approval:

The written consent of every principal who is an owner of the funds in the account shall be obtained by a real estate broker prior to each disbursement if such a disbursement will reduce the balance of funds in the account to an amount less than the existing aggregate trust fund liability of the broker to all owners of the funds.

(Cal. Code Regs., tit. 10, § 2832.1.)

Causes for Discipline

9. Complainant proved by clear and convincing evidence that between May 1, 2021, and May 31, 2022, respondent conducted property management activities through CHRESI. Specifically, in exchange for a management fee, she collected rents and security deposits for real property, solicited tenants, advertised, coordinated repairs and maintenance, and distributed owner proceeds. Complainant also proved by clear and convincing evidence that the Department did not issue CHRESI's corporate license until October 21, 2022. As a result, complainant proved respondent, through CHRESI, acted as a real estate broker in California without first obtaining CHRESI's real estate license from the Department. Cause therefore exists to discipline respondent's license under Code section 10177, subdivision (d), for violating Code section 10130.

10. Complainant proved by clear and convincing evidence that as of May 31, 2022, the liabilities in respondent's Bank Account 1 exceeded the balance by \$1,859.43. Bank Account 1 held funds in trust for multiple beneficiaries. Cause therefore exists to discipline respondent's license under Code section 10177, subdivision (d), for violating Code section 10145.

11. Complainant proved by clear and convincing evidence that between May 1, 2021, and May 31, 2022, respondent did not obtain written permission from the owners of the trust funds held in Bank Account 1 to allow the account's liabilities to exceed its balance. Cause therefore exists to discipline respondent's license under Code section 10177, subdivision (d), for violating Regulations section 2832.1.

12. Complainant proved by clear and convincing evidence that between May 1, 2021, and May 31, 2022, respondent failed to reconcile monthly the balance of the trust funds held in Bank Account 1 for all separate beneficiaries. Cause therefore exists to discipline respondent's license under Code section 10177, subdivision (d), for violating Regulations section 2831.2.

13. Complainant proved by clear and convincing evidence that between May 1, 2021, and May 31, 2022, respondent failed to maintain an accurate separate record for each beneficiary or transaction in Bank Account 1. Cause therefore exists to discipline respondent's license under Code section 10177, subdivision (d), for violating Regulations section 2831.1.

14. Complainant proved by clear and convincing evidence that between May 1, 2021, and May 31, 2022, respondent designated Bank Account 1 as the "Carol Hahl Real Estate Services Inc Property Management Account," which did not designate it as a trust fund account in respondent's or CHRESI's name as the trustee. Cause therefore exists to discipline respondent's license under Code section 10177, subdivision (d), for violating Code section 10145 and Regulations section 2832.

15. Complainant proved by clear and convincing evidence that respondent's violations of the Real Estate Law and Regulations occurred because she did not know the laws and regulations governing licensees engaging in property management. Thus,

complainant proved respondent's misconduct demonstrated negligence. However, as demonstrated by respondent's subsequent remediation efforts and compliance, complainant did not prove respondent lacked the ability to perform the duties authorized by her license. Therefore, cause exists to discipline respondent's license for negligence under Code section 10177, subdivision (g), but not for incompetence.

Costs

16. The Department may request that a licensee found to have committed violations of the Real Estate Law be ordered to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case. (Bus. & Prof. Code, § 10106, subd. (a).) In *Zuckerman v. State Bd. of Chiropractic Examiners* (2002) 29 Cal.4th 32, the California Supreme Court set forth guidelines for determining whether the costs should be assessed in the circumstances of each case. These factors include whether the licensee has been successful at hearing in getting charges dismissed or reduced, the licensee's subjective good faith belief in the merits of her position, whether the licensee has raised a colorable challenge to the proposed discipline, the financial ability of the licensee to pay, and whether the scope of the investigation was appropriate to the alleged misconduct.

17. In addition,

The commissioner shall charge a real estate broker for the cost of any audit, if the commissioner has found, in a final desist and refrain order issued under Section 10086 or in a final decision following a disciplinary hearing held in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government

Code that the broker has violated Section 10145 or a regulation or rule of the commissioner interpreting Section 10145.

(Code, § 10148, subd. (b).)

18. Here, although respondent succeeded in achieving a restricted license rather than a revocation, she did not present evidence of an inability to pay costs. Additionally, the scope of both the investigation and audit were reasonable given the audit period, the number of properties, and the state of respondent's documents. Therefore, the full requested costs are awarded.

ORDER

All licenses and licensing rights of respondent Carol Jean Hahl under the Real Estate Law are revoked; provided, however, a restricted real estate broker license shall be issued to respondent pursuant to section 10156.5 of the Business and Professions Code if respondent makes application therefor and pays to the Department of Real Estate the appropriate fee for the restricted license within 90 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:

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.

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.

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 years have elapsed from the effective date of this Decision.

Respondent shall, within nine 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.

Trust Fund Violation Course Requirement

Respondent shall, prior to and as a condition of the issuance of the restricted license, submit proof satisfactory to the Commissioner of having taken and successfully completed the continuing education course on trust fund accounting and handling specified in subdivision (a) of section 10170.5 of the Business and Professions Code. Proof of satisfaction of this requirement includes evidence that respondent has

successfully completed the trust fund accounting and handling continuing education course within 120 days prior to the effective date of the Decision in this matter.

Cost Reimbursement

Respondent Carol Jean Hahl shall reimburse the Department the sum of \$3,175.75 for costs incurred investigating and enforcing this matter.

Respondent Carol Jean Hahl shall reimburse the Department the sum of \$5,418.25 for its audit costs incurred in this matter.

DATE: June 28, 2024


Sean Gavin (Jun 28, 2024 15:57 PDT)

SEAN GAVIN

Administrative Law Judge

Office of Administrative Hearings