

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0791
5 -or- (916) 227-0780 (Direct)

FILED

FEB 13 2008

DEPARTMENT OF REAL ESTATE

By H. Contreras

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) DRE NO. H-9957 SF
12 TERESA ANN REINSTRA,) OAH NO. N-2007070152
13 Respondent.) STIPULATION AND AGREEMENT

14
15 It is hereby stipulated by and between Respondent
16 TERESA ANN REINSTRA (herein "Respondent"), individually and by
17 and through Jack Benoun, Esq., attorney of record herein for
18 Respondent, and the Complainant, acting by and through Mary F.
19 Clarke, Counsel for the Department of Real Estate (herein "the
20 Department"), as follows for the purpose of settling and
21 disposing of the Accusation filed on March 23, 2007 in this
22 matter (herein "the Accusation"):

23 1. All issues which were to be contested and all
24 evidence which was to be presented by Complainant and Respondent
25 at a formal hearing on the Accusation, which hearing was to be
26 held in accordance with the provisions of the Administrative
27 Procedure Act (APA), shall instead and in place thereof be

1 submitted solely on the basis of the provisions of this
2 Stipulation and Agreement.

3 2. Respondent has received, read and understands the
4 Statement to Respondent, the Discovery Provisions of the APA and
5 the Accusation filed by the Department in this proceeding.

6 3. On March 27, 2007, Respondent filed a Notice of
7 Defense pursuant to Section 1605 of the Government Code for the
8 purpose of requesting a hearing on the allegations in the
9 Accusation. Respondent hereby freely and voluntarily withdraws
10 said Notice of Defense. Respondent acknowledges that Respondent
11 understands that by withdrawing said Notice of Defense
12 Respondent will thereby waive Respondent's right to require the
13 Real Estate Commissioner (herein "the Commissioner") to prove
14 the allegations in the Accusation at a contested hearing held in
15 accordance with the provisions of the APA and that Respondent
16 will waive other rights afforded to Respondent in connection with
17 the hearing such as the right to present evidence in defense of
18 the allegations in the Accusation and the right to cross-examine
19 witnesses.

20 4. Respondent, pursuant to the limitations set forth
21 below, hereby admits that the factual allegations in the
22 Accusation are true and correct and the Commissioner shall not
23 be required to provide further evidence of such allegations.

24 5. It is understood by the parties that the
25 Commissioner may adopt the Stipulation and Agreement as his
26 decision in this matter, thereby imposing the penalty and
27 sanctions on Respondent's real estate license and license rights

1 as set forth in the "Order" below. In the event that the
2 Commissioner in his discretion does not adopt the Stipulation
3 and Agreement, it shall be void and of no effect, and Respondent
4 shall retain the right to a hearing and proceeding on the
5 Accusation under all the provisions of the APA and shall not be
6 bound by any admission or waiver made herein.

7 6. This Stipulation and Agreement shall not constitute
8 an estoppel, merger or bar to any further administrative or civil
9 proceedings by the Department with respect to any matters which
10 were not specifically alleged to be causes for accusation in this
11 proceeding.

12 7. Respondent understands that by agreeing to this
13 Stipulation and Agreement, Respondent agrees to pay, pursuant to
14 Section 10148 of the California Business and Professions Code,
15 the cost of the audit which resulted in the determination that
16 Respondent committed the trust fund violation(s) found in
17 Paragraph I, below, of the Determination of Issues. The amount
18 of said costs is \$5,469.90.

19 8. Respondent further understands that by agreeing to
20 this Stipulation and Agreement, the findings set forth below in
21 the Determination Of Issues become final, and that the
22 Commissioner may charge said Respondent for the costs of any
23 audit conducted pursuant to Section 10148 of the California
24 Business and Professions Code to determine if the trust fund
25 violation(s) found in Paragraph I, below, of the Determination of
26 Issues have been corrected. The maximum costs of said audit
27 shall not exceed \$5,469.90.

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1 that Respondent has taken and completed at an accredited
2 institution the continuing education course on trust fund
3 accounting and handling specified in paragraph (3) of subdivision
4 (a) of Section 10170.5 of the Code. Said course must have been
5 completed not earlier than 120 days prior to the effective date
6 of the Decision herein. Upon satisfaction of the condition
7 described in this Paragraph "A", the indefinite suspension
8 provided in this Paragraph "A" shall be stayed.

9 B. All licenses and licensing rights of Respondent
10 under the Real Estate Law are suspended for a period of ninety
11 (90) days from the effective date of the Decision herein;
12 provided, however:

13 1. If Respondent petitions, thirty (30) days of
14 said ninety (90) day suspension (or a portion thereof) shall be
15 stayed upon condition that:

16 (a) Respondent pays a monetary penalty
17 pursuant to Section 10175.2 of the Code at the rate of \$100.00
18 for each day of the suspension for a total monetary penalty of
19 \$3,000.00.

20 (b) Said payment shall be in the form of a
21 cashier's check or certified check made payable to the Recovery
22 Account of the Real Estate Fund. Said check must be received by
23 the Department prior to the effective date of the Decision in
24 this matter.

25 (c) If Respondent fails to pay the monetary
26 penalty in accordance with the terms and conditions of the
27 Decision, the Commissioner may, without a hearing, vacate and set

1 aside the stay order, and order the immediate execution of all or
2 any part of the stayed suspension.

3 (d) No final subsequent determination be made,
4 after hearing or upon stipulation, that cause for disciplinary
5 action against Respondent occurred within two (2) years of the
6 effective date of the Decision herein. Should such a
7 determination be made, the Commissioner may, in his or her
8 discretion, vacate and set aside the stay order, and order the
9 execution of all or any part of the stayed suspension, in which
10 event the Respondent shall not be entitled to any repayment nor
11 credit, prorated or otherwise, for money paid to the Department
12 under the terms of this Decision.

13 (e) If Respondent pays the monetary penalty
14 and if no further cause for disciplinary action against the real
15 estate license of Respondent occurs within two (2) years from the
16 effective date of the Decision herein, then the stay hereby
17 granted shall become permanent.

18 2. Sixty (60) days of said ninety (90) day
19 suspension shall be stayed upon condition that:

20 (a) No final subsequent determination be made,
21 after hearing or upon stipulation, that cause for disciplinary
22 action against Respondent occurred within two (2) years of the
23 effective date of the Decision herein.

24 (b) Should such a determination be made, the
25 Commissioner may, in his or her discretion, vacate and set aside
26 the stay order, and order the execution of all or any part of the
27 stayed suspension, in which event the Respondent shall not be

1 entitled to any repayment nor credit, prorated or otherwise,
2 for money paid to the Department under the terms of this
3 Decision.

4 (c) If no order vacating the stay is issued,
5 and if no further cause for disciplinary action against the real
6 estate license of Respondent occurs within two (2) years from
7 the effective date of the Decision, then the stay hereby granted
8 shall become permanent.

9 C. Respondent shall, within 60 days of receiving an
10 invoice therefor from the Commissioner, pay the Commissioner's
11 costs in the amount of \$5,469.90 of the audit conducted pursuant
12 to Section 10148 of the Code that resulted in the determination
13 that Respondent committed the violations described in Paragraph I
14 of the Determination of Issues, above. If Respondent fails to
15 pay such cost within the 60 days, the Commissioner may in his or
16 her discretion indefinitely suspend all license and licensing
17 rights of Respondent under the Real Estate Law until payment is
18 made in full or until Respondent enters into an agreement
19 satisfactory to the Commissioner to provide for payment. Upon
20 payment in full, any indefinite suspension provided in this
21 paragraph shall be stayed.

22 D. Respondent shall pay the Commissioner's costs, not
23 to exceed \$5,469.90, of any audit conducted pursuant to Section
24 10148 of the Code to determine if Respondent has corrected the
25 violations described in Paragraph I of the Determination of
26 Issues, above. In calculating the amount of the Commissioner's
27 reasonable cost, the Commissioner may use the estimated average

1 hourly salary for all persons performing audits of real estate
2 brokers, and shall include an allocation for travel time to and
3 from the auditor's place of work. Respondent shall pay such
4 cost within 60 days of receiving an invoice therefor from the
5 Commissioner detailing the activities performed during the audit
6 and the amount of time spent performing those activities. If
7 Respondent fails to pay such cost within the 60 days, the
8 Commissioner may in his or her discretion indefinitely suspend
9 all license and licensing rights of Respondent under the Real
10 Estate Law until payment is made in full or until Respondent
11 enters into an agreement satisfactory to the Commissioner to
12 provide for payment. Upon payment in full, the indefinite
13 suspension provided in this paragraph shall be stayed.

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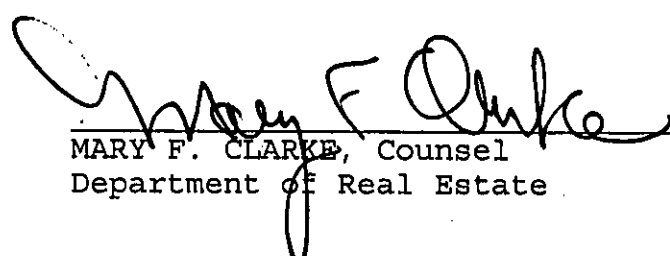
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11-13-07

DATED


MARY F. CLARKE, Counsel
Department of Real Estate

* * *

I have read the Stipulation and Agreement and discussed
it with my attorney and its terms are understood by me and are
agreeable and acceptable to me. I understand that I am waiving
rights given to me by the California Administrative Procedure Act
(including but not limited to Sections 1606, 1608, 1609, and
11513 of the Government Code), and I willingly, intelligently,
and voluntarily waive those rights, including the right of
requiring the Commissioner to prove the allegations in the
Accusation at a hearing at which I would have the right to cross-

1 examine witnesses against me and to present evidence in defense
2 and mitigation of the charges.

3
4 11-28-07

5 DATED

Teresa Ann Reinstra

6 TERESA ANN REINSTRA
Respondent

7 * * *

8 I have reviewed the Stipulation and Agreement as to
9 form and content and have advised my client accordingly.

10
11 11-28-07

12 DATED

Jack Benoun

13 JACK BENOUN
Attorney for Respondent

14 * * *

15 The foregoing Stipulation and Agreement is hereby
16 adopted by me as my Decision in this matter as to Respondent
17 TERESA ANN REINSTRA and shall become effective at 12 o'clock noon
18 on March 4, 2008

19 IT IS SO ORDERED

2-4-08

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21 JEFF DAVI
Real Estate Commissioner

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23 Jeff Davi
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Telephone: (916) 227-0789
-or- (916) 227-0780 (Direct)

FILED
MAR 23 2007

By K. Contreras

* * *

The Complainant, E. J. HABERER, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against TERESA ANN REINSTRA (herein "Respondent"), is informed and alleges as follows:

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1 III

2 At all times herein mentioned Respondent was and now
3 is licensed by the Department of Real Estate of the State of
4 California (herein "the Department") as a real estate broker.

5 IV

6 At all times herein mentioned Respondent engaged in the
7 business of, acted in the capacity of, advertised, or assumed to
8 act as a real estate broker within the State of California within
9 the meaning of Sections:

10 (a) 10131(a) of the Code, including the operation and
11 conduct of a real estate brokerage that included
12 the sale or offer of sale, purchase or offer of
13 purchase, solicitation of prospective sellers and
14 purchasers of, solicitation or obtaining listings
15 of, or negotiations of the purchase, sale or
16 exchange of real property or a business
17 opportunity; and

18 (b) 10131(b) of the Code, including the operation and
19 conduct of a property management business with
20 the public wherein, on behalf of others, for
21 compensation or in expectation of compensation,
22 Respondent leased or rented and offered to lease
23 or rent, and placed for rent, and solicited
24 listings of places for rent, and solicited for
25 prospective tenants of real property or
26 improvements thereon, and collected rents from
27 real property or improvements thereon.

1 V

2 In so acting as a real estate broker, as described in
3 Paragraph IV, above, Respondent accepted or received funds in
4 trust (herein "trust funds") from or on behalf of buyers, sellers
5 owners, tenants, and others in connection with the leasing,
6 renting, and collection of rents on real property or improvements
7 thereon, as alleged herein, and thereafter from time to time
8 made, or caused to be made, disbursements of said funds.

9 VI

10 The aforesaid trust funds accepted or received by
11 Respondent were deposited or caused to be deposited by Respondent
12 into one or more bank accounts (herein "trust fund accounts")
13 maintained by Respondent for the handling of trust funds at the
14 Fremont, California, branch of Wells Fargo Bank, including but
15 not necessarily limited to the "Ind/Comm Real Estate Trust",
16 account number 004-7486824 (herein "Trust Account #1").

17 VII

18 Between on or about April 1, 2004 and on or about
19 January 31, 2006, in the course of the property management and
20 trust fund activities described above, Respondent:

- 21 (a) caused, suffered or permitted the balance of
22 funds on Trust Account #1 to be reduced to
23 amounts, as tabulated below, less than the
24 liability of Respondent to all owners of such
25 funds without first obtaining the written
26 consent of each and every owner of such
27 funds:

	<u>ITEM</u>	<u>DATE</u>	<u>ACCOUNT</u>	<u>AMOUNT</u>
1				
2	(1)	1/31/06	Trust Account #1	\$ 6,971.65;
3	(2)	4/30/05	Trust Account #1	\$13,390.17;
4	(b)	failed to reconcile, at least once a month,		
5		the balance of all separate beneficiary or		
6		transaction records with the record of trust		
7		funds received and disbursed from such accounts;		
8	(c)	performed real estate activity under the		
9		fictitious business name of "Connolly Real		
10		Estate Team" without first obtaining a license		
11		bearing such fictitious name, in violation of		
12		Section 2731 of the California Code of		
13		Regulations (herein the "Regulations").		
14	(d)	failed to keep a columnar record in		
15		chronological sequence of all trust funds		
16		received and not placed in a trust account,		
17		received for activities referenced in Paragraph		
18		IV(a), as required by Section 2831 of the		
19		Regulations.		

VIII

The facts alleged above are grounds for the suspension or revocation of the licenses and license rights of Respondent under the following provisions of the Code and/or the Regulations:

(a) as to Paragraph VII(a) under Section 10145 of the Code and Section 2832.1 of the Regulations in conjunction with Section 10177(d) of the Code;

- 1 (b) as to Paragraph VII(b) under Section 10145 of the
2 Code and Section 2831.2 of the Regulations in
3 conjunction with Section 10177(d) of the Code;
4 (c) as to Paragraph VII(c) under Section 2731 of the
5 Regulations in conjunction with Section 10177(d)
6 of the Code;
7 (d) as to Paragraph VII(d) under Section 10145 of the
8 Code and Section 2831 of the Regulations in
9 conjunction with Section 10177(d) of the Code.

10 WHEREFORE, Complainant prays that a hearing be
11 conducted on the allegations of this Accusation and that upon
12 proof thereof a decision be rendered imposing disciplinary
13 action against all licenses and license rights of Respondent
14 under the Real Estate Law (Part 1 of Division 4 of the Business
15 and Professions Code) and for such other and further relief as
16 may be proper under other applicable provisions of law.

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20 
21 E. J. HABERER
22 Deputy Real Estate Commissioner
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24 Dated at Oakland, California
25 this 18th day of December, 2006.
26
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