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	5	By Requel por fara
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	8	DEPARTMENT OF REAL ESTATE
	9	STATE OF CALIFORNIA
	10	* * * *
	11	In the Matter of the Accusation of ) NO. H-21843 LA
	12	JANA JANNELLE JONES,
	13	Respondent.
	14	ORDER GRANTING REINSTATEMENT OF LICENSE
	15	On February 23, 1984, a Decision was rendered
	16	herein revoking the real estate salesperson license of
	17	Respondent, JANA JANNELLE JONES (hereinafter "Respondent"),
	18	effective March 20, 1984, but granting Respondent the right
7	19	to apply for and be issued a restricted real estate
	20	salesperson license. Said restricted license was issued on
	21	or about March 20, 1984.
	22	On October 20, 1993, Respondent petitioned for
-	23 24	reinstatement of said real estate salesperson license and the
	24 25	Attorney General of the State of California has been given
	26	notice of the filing of said petition.
	27	I have considered Respondent's petition and the
	~	evidence and arguments in support thereof. Respondent has
COURT PAPER STATE OF CALIFORNIA STD. 113 (REV. 8-72)		
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demonstrated to my satisfaction that grounds do not presently exist to deny the issuance of an unrestricted real estate 2 salesperson license to Respondent. 3 NOW, THEREFORE, IT IS ORDERED that Respondent's 4 petition for reinstatement is granted and that an 5 unrestricted real estate salesperson license be issued to 6 Respondent, JANA JANNELLE JONES, after Respondent satisfies 7 the following conditions within one (1) year from the date of 8 this Order: 9 Submittal of a completed application and 1. 10 payment of the fee for a real estate salesperson license. 11 2. Submittal of evidence satisfactory to the Real 12 Estate Commissioner that Respondent has, since her present 13 restricted license was last renewed, taken and successfully 14 completed the continuing education requirements of Article 15 2.5 of Chapter 3 of the Real Estate Law for renewal of a real 16 estate license. 17 18 This Order shall become effective immediately. 19 DATED: 20 JOHN R. LIBERATOR 21 Interim Commissioner 22 23 24 JANA JANNELLE JONES 11220 Valley Spring Lane 25 Studio City, California 91602 26 27 COURT PAPER STATE OF CALIFORNIA STD. 113 (REV. 8-72) - 2 -

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# DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

FEB 28 1984

R Niederhold

In the matter of the Accusation of

No. H- 21843 LA

L- 30299

JANA JANNELLE JONES, aka Jana J. Jones,

Respordent(s)

# DECISION

The Proposed Decision dated <u>February 6, 1984</u> 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.

This Decision shall become effective at 12 o'clock

noon on	March 20, 198	34	0
	IT IS SO ORDERED	0-23-64	•

JAMES A. EDMONDS, JR. Real Estate Commissioner

# BEFORE THE DEPARTMENT OF REAL ESTATE

### OF THE STATE OF CALIFORNIA

In the Matter of the Accusation of

JANA JANNELLE JONES, aka Jana J. Jones, NO. H-21843 LA

L-30299

Respondent.

# PROPOSED DECISION

This matter came on regularly for hearing before John A. Willd, Administrative Law Judge with the Office of Administrative Hearings at Los Angeles, California, on December 8, 1983, at the hour of 9:00 a.m. This matter was heard on that day and on December 9 and 12, 1983 and thereafter submission was withheld in order to permit the filing of written argument on behalf of each party. Closing argument on behalf of the Department was received on December 19, 1983, and closing argument on behalf of respondent was received on January 5, 1984. Donna Hauptman, Counsel, appeared on behalf of the Department of Real Estate. The respondent Jana Jannelle Jones appeared in person and was represented by her attorney, Patricia Laffin. The Administrative Law Judge has reviewed the evidence presented and has given consideration to the written argument submitted by each counsel. The Administrative Law Judge now makes the following findings of fact:

Ι

Randolph Brendia is a Deputy Real Estate Commissioner of the State of California and he filed the Accusation herein in his official capacity.

II

Jana Jannelle Jones, aka Jana J. Jones, is presently licensed as a real estate salesperson and at all times mentioned herein she was employed as a real estate salesperson by F. S. R. Brokerage, Inc., a corporate real estate broker doing business as Fred Sands Realtors. The following conduct engaged in by respondent was done under her real estate license and she was acting for or in expectation of a compensation.

On October 20, 1980, Patricia York, aka Pat York did list for lease with Fred Sands Realtors through respondent Jana Jannelle Jones certain real property owned by Mrs. York and her husband Michael York. The property consisted of a single family residence located at 9100 Cordell Drive in Los Angeles, California. The property would be available for lease as of January 1, 1981, and for a period of six months thereafter at a total lease price of \$6,500.00 per month. There were two separate conversations between Patricia York and respondent covering certain aspects of the maintenance and management of the property. One such conversation took place on October 20, 1980 and the second such conversation took place on January 1, 1981. During one or both of these conversations Pat York did advise respondent that there was a sewer problem because of roots entering the sewer line and causing a blockage. Pat York did on at least one occasion mention that it was important that only toilet paper be deposited in the toilets. Mrs. York also discussed with respondent considerable additional information which had previously been prepared and entitled "practical information for 9100 Cordell Drive." This compilation covered information with respect to windows, drapes, jacuzzi, air conditioning, heating, electrical lighting switches and swimming pool. The names of individuals who provided needed services for the residents were set out in this information material. Pat York told respondent to give this practical information folder to each tenant.

IV

In that conversation of October 20, 1980 Patricia York also described the type of tenant she hoped to obtain. Pat York did want a quiet couple without children or pets who would care for the residence and who would entertain quietly and moderately. Respondent did volunteer to Pat York that she had been quite successful in the past in putting on a wine party or birthday party in order to show off a residence. Mrs. York did indicate that she did not want such a party at her residence.

V

On December 29, 1980, respondent working through the Jon Douglas Company as well as Fred Sands Realty negotiated an agreement to lease the York residence to Katherine Hepburn for a two month period commencing January 17, 1981 and ending March 17, 1981, for the total sum of \$14,000.00. The figure of \$7,000.00 per month was arrived at because under the terms of this lease the lessor would provide maid service for the benefit of the tenant. Katherine Hepburn and her secretary did occupy the York property in accordance with the lease from January 17,

# 1981 through March 17, 1981.

VI

Sometime prior to January 17, 1981, one Lynne Honus did prepare an inventory of those items in the York residence with the further intention of checking this inventory immediately after Ms. Hepburn moved out of the residence. In that lease of December 29, 1980 Ms. Hepburn had assumed responsibility for loss or damage for the items set out in the inventory and had deposited the sum of \$3,500.00 as security. As the leasing agent respondent had a duty both to Mr. and Mrs. York as well as to Katherine Hepburn to see that a proper and complete inventory was made shortly after Mrs. Hepburn vacated the premises. On or before March 18, 1981 and at a time when the closing inventory had not been completed respondent determined to invite several of her friends to the York property for a poker party and also for the purpose of showing the York residence to these friends. Neither Mr. or Mrs. York ever gave respondent permission to give this party. Respondent did call Rick McCallum, the son of Pat York and she had a conversation with Rick McCallum at approximately 2:30 p.m. on March 18, 1981. In that conversation respondent told Rick McCallum that she wanted to show the York house to some clients that evening. Respondent did not mention that it would be a poker party or that food or wine would be served. Rick McCallum answered that he thought having a few clients to the residence was a good idea. By the time respondent had this conversation with Rick McCallum she had already invited several of her friends to the anticipated poker party to be held that evening.

### VII

Lynne Honus did plan to go to the York residence at approximately 2:30 p.m. on the afternoon of March 18 in order to inventory the property and she did make an appointment with respondent for this purpose. Lynne Honus was late to this appointment and she did not arrive until approximately 4:30. By this time respondent had left the property and was getting ready to attend the scheduled poker party later that evening. At approximately 5:00 p.m. Lynne Honus telephoned respondent and advised respondent that she was waiting at the York residence to make the inventory. Respondent objected to making the inventory at this time because she was now well committed to the poker party and was busy with the details of this function. Lynne Honus expressed serious concern regarding respondent's decision to have a party particularly in view of the fact that the inventory had not been prepared and an inventory following this social function would not be reliable in determining the possible responsibility of Katherine Hepburn. Lynne Honus was insistent that respondent come to the residence so that at least some modest examination of the

property might be made. Respondent reluctantly came to the residence and at that time Lynne Honus did make a cursory inspection of the property for a period of approximately twenty minutes. Although a detailed inventory could not be taken within this time period, the examination did indicate that the property and contents were in very good condition. There was no apparent damage and if there were any missing items such was not obvious.

Later that evening, perhaps close to 8 p.m., the invited guests began to arrive. Respondent had retained a maid to assist her with the party; she had also obtained some voluntary assistance from a friend. Sometime during the course of the party, perhaps at approximately 9 p.m. a very large quantity of water overflowed from the toilets in the three bathrooms. It was quite obvious that the line to the city sewer had in some manner become clogged. The quantity of water which overflowed from the three toilets was very substantial. It soaked various areas of carpeting as well as a sisal matting located within one of the bathrooms. Respondent, the maid and others attempted to mop up and halt the flow of water in order to minimize damage to rugs, floors, sisal matting and possibly furniture. A Roto Rooter Service was immediately called as well as the maid who usually worked at the York residence. Water was mopped up, all available linens were used to soak up the water, but in spite of these efforts a rather substantial portion of the carpeting and sisal matting was soaked. The matting was taken up in order to permit the bathroom floor to Respondent, the maid and one or two other individuals worked dry. until midnight. At this point, the line had been cleared, most of the water had been removed, the sisal matting had been taken up and nothing further could be accomplished until the following day. It was not determined at this hearing just what caused this substantial overflowing of water nor was it determined just what or who caused the blockage from the residence to the city sewer. By virtue of the quantity of water, however, it is quite obvious that it was not caused by the flushing of one or two toilets, because once the tanks were empty the water flow would cease. The residence does have a dishwasher, a clothes washer and also a jacuzzi located in the master bathroom. One or more of these appliances must necessarily have been in use during the course of the social function.

### VIII

On various occasions from March 18, 1981 through April 4, 1981 respondent did occupy the York property on an overnight basis for her own personal use and benefit. On at least one occasion, in addition to the poker party described above, she did entertain her own guests on the property. Respondent also made numerous personal telephone calls at all hours of the day and night which calls were charged to the York telephone. At no time did respondent have permission from either the Yorks or anyone acting on their behalf to occupy the York property for personal use and benefit. Had Mr. and Mrs. York known that respondent would hold a social function or gathering at their residence where food and drink would be served they would not have authorized such use. Had Mr. and Mrs. York known that respondent would occupy the property for her personal use and benefit they would not have authorized such use. If respondent expressed any unwillingness to comply with the wishes of Mr. and Mrs. York in this regard, the Yorks would not have authorized respondent to serve as their leasing agent with respect to this property.

The respondent did take advantage of that trust which was extended to her by Mr. and Mrs. York. When the water did overflow at the poker party respondent was not fully candid with the Yorks or Rick McCallum regarding the extent of the damage. It is noted that respondent personally paid for the cost of vacuuming up the water from the carpets and this was done in part so that the full extent of the damage would not be discovered. Respondent now contends that she had no prior knowledge that the plumbing was easily susceptible to clogging, but respondent must be rejected in this regard. Respondent, at the poker party, was overheard to refer to Ms. Hepburn in rather unflattering terms and blame her for putting something down the toilet. Respondent also contends that she stayed overnight at the residence only on a single occasion. However, some of the telephone calls were placed by respondent at the residence during the early morning hours and at a time when it would be almost pointless to return to her residence.

IX

While this respondent has behaved in a manner which is below acceptable standards for real estate licensees, there are certain mitigating factors which to some degree explain her conduct. While respondent did invite approximately eighteen people to the poker party who were her personal friends, some of these might reasonably be in a position to refer a possible individuals short term tenant to respondent. All of the guests invited by respondent had some association with the entertainment industry. Artists, entertainers, producers, writers, attorneys and others associated with the entertainment industry do comprise a very substantial segment of the population which might be interested in leasing the York residence on a short term basis. The guests of March 18 might easily learn of some colleague or associate who would find it necessary to spend a brief period of time in the Hollywood community. It is also true that this respondent expected her guests to behave properly and not expose the residence to any risks. As to respondent's overnight at the York residence respondent no doubt saw little harm in such behavior and could easily rationalize this conduct because she did perform many services to insure that the property was properly cared for. Finally, respondent is employed in a face

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of real estate where there is a certain prestige and perhaps personal gratification in having an affiliation with the well-to-do and talented. It is quite likely that such clients expect top service and top effort with respect to their property. It has certainly been to respondent's best interest for respondent to accommodate these clients and to serve them with a considerable degree of energy and imagination. It is most likely that this respondent fully intended to provide a professional competent service to the Yorks. She was willing to go beyond the bounds of her authority because she was far more experienced in the leasing field and she was evidently convinced that her judgment with respect to exposing the property was far superior to the Yorks.

\* \* \* \* \*

Pursuant to the foregoing findings of fact, the Administrative Law Judge makes the following determination of issues:

I

Respondent did breach her fiduciary duty and did fail to deal fairly, honestly or competently with her principal at all times. Her conduct did on occasion constitute a substantial misrepresentation. She did engage in negligent conduct and some dishonest dealing. Her conduct, however, does fall short of actual fraud. By virtue of this conduct respondent has subjected her license to disciplinary action pursuant to the provisions of Sections 10176(a), 10177(g) and 10176(i) of the Business and

II

While respondent has behaved in a manner which is below acceptable standards for a licensee, her greatest shortcoming has been her willingness to follow her own course of action rather than pay strict adherence to the wishes of her principal. She has shown qualities of untrustworthiness but at the same time she is probably still worthy of a reasonable level of trust. Respondent has demonstrated many qualities which should serve her well in the real estate field. She would be very well advised, however, to accept the sanction imposed herein as a most serious warning with respect to future conduct of this sort.

\* \* \* \* \*

WHEREFORE, THE FOLLOWING ORDER is hereby made:

The real estate salesperson license and all other license rights of respondent under the real estate law (Part 1 of Division 4 of the Business and Professions Code) are hereby revoked; provided, however, that a restricted real estate salesperson license shall be issued to respondent pursuant to Section 10156.5 of the Business and Professions Code if respondent makes application and pays the fee for said license to the Department within sixty days from the effective date of this decision.

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

- 1. Said restricted license 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 relationship to respondent's fitness or capacity as a real estate licensee.
- 2. Said restricted license may be suspended prior to hearing by order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that the respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner, or conditions attaching to this restricted license.
- 3. The restricted license may be suspended by order of the Department of Real Estate pending a final determination after a hearing if the respondent fails to present evidence satisfactory to the Department within six months from the effective date of this decision of having taken and completed forty-five hours of approved continuing education offerings within the four year period immediately preceding the date on which the respondent presents such evidence to the Department.
- 4. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor the removal of any of the conditions, limitations or restrictions of a restricted license until two years have elapsed from the date of issuance of the restricted license to respondent.
- 5. Respondent shall submit with her application for license under an employing broker or her application for a transfer to a new employing broker a statement signed by the prospective employing broker which shall certify:

- (a) That the Decision of the Commissioner which granted the right to a restricted license has been read; and
- (b) That close supervision will be exercised over the performance by the restricted licensee of activities for which a real estate license is required.

I hereby submit the foregoing which constitutes my Proposed Decision in the above-entitled matter as a result of the hearing had before me on the above dates, at Los Angeles, California, and recommend its adoption as the decision of the Raal Estate Commissioner

JOHN A. WILLD

Administrative Law Judge Office of Administrative Hearings

DATED: 0

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to	
1	DONNA S. HAUPTMAN, Counsel Department of Real Estate
2	107 South Broadway, Room 8107
3	(213) 620-4790
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8	DEPARTMENT OF REAL ESTATE
9	STATE OF CALIFORNIA
10	* * * *
11	In the Matter of the Accusation of ) NO. H-21843 LA
12	JANA JANNELLE JONES, aka ) <u>A C C U S A T I O N</u> Jana J. Jones,
13	Respondent.
14	)
15	fhe complainant, Randolph Brendia, a Deputy Real Estate
16	Commissioner of the State of California, for cause of accusation
17	against JANA JANNELLE JONES, aka Jana J. Jones, alleges as follows:
18	n and and a second s
19	'The complainant, Randolph Brendia, a Deputy Real Estate
20	Commissioner of the State of California, makes this Accusation in
21	his official capacity.
22	II
23	JANA JANNELLE JONES, aka Jana J. Jones (hereinafter
24	referred to as "respondent") is presently licensed and/or has license
<b>2</b> 5	rights under the Real Estate Law (Part 1 of Division 4 of the
26	Business and Professions Code, hereinafter referred to as the
27	"Real Estate Law").

,

At all times herein mentioned, respondent was licensed by the Department of Real Estate of the State of California as a real estate salesperson and was employed in such capacity by F.S.R. Brokerage, Inc., a corporate real estate broker, doing business as Fred Sands Realtors (hereinafter referred to as "Fred Sands Realtors"). In performing for others the acts described below, respondent was at all times performing acts for which a real estate license is required, for or in expectation of a compensation.

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IV

11 On or about October 20, 1980, Patricia York, aka Pat 12 York (hereinafter referred to as "York") listed for lease with 13 Fred Sands Realtors, through respondent, certain real property 14 owned by York and her husband, Michael York, consisting of a single 15 family residence located at 9100 Cordell Drive in Los Angeles, 16 California (hereinafter referred to as the "Property"), for a 17||lease period of six months and at a lease price of \$6,500 per On or about said date, York provided respondent with a list 18 month. 19 of instructions regarding the maintenance and handling of certain 20 aspects of the Property, including but not necessarily limited to 21 the handling of the bathroom plumbing system to avoid back-up in the sewer lines and possible overflow inside the Property. York 22 also kept a copy of said instructions in the Property for use 23 24 by tenants.

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On or about December 29, 1980, respondent negotiated an agreement by Kathryn Hepburn to lease the Property for a twomonth period beginning on or about January 17, 1981 and terminating on or about March 17, 1981 for a total lease amount of \$14,000. Thereafter, Kathryn Hepburn occupied the Property as lessee from on or about January 17, 1981 through on or about March 17, 1981.

V

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VI

9 On or about March 18, 1981, respondent requested permission 10 from Rick McCallum (hereinafter referred to as "McCallum"), York's 11 son, to show the Property to prospective tenants. York was out of 12 the country on said date, and McCallum was authorized by York to 13 answer any questions from respondent concerning the lease of the 14 Property. McCallum advised respondent that she could show the 15 Property to prospective tenants.

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#### VII

At no time herein mentioned, did York; York's husband, Michael York; or McCallum or any other person acting for or on behalf of York, authorize respondent to hold at the Property a party, social function, or any gathering for either a social or business purpose at which food or drink was to be served.

#### VIII

In truth and in fact, on or about March 18, 1981, respondent did not show the Property to prospective tenants but rather held a party at the Property. During the course of the party, plumbing problems arose, causing water damage to the Property.

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Had McCallum known of respondent's true intention to hold a party at the Property, he would not have given respondent permission to hold the party.

IX

5 From on or about March 19, 1981 through on or about 6 April 2, 1981, respondent occupied the Property for her own 7 personal use and benefit including but not necessarily limited to the entertaining of guests on the Property. At no time herein 8 9 mentioned, did York; York's husband, Michael York; or McCallum 10 or any other person acting for or on behalf of York authorize 11 respondent to occupy the Property for her own personal use and 12 benefit.

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Had York known that respondent would (1) hold at the Property a party, social function, or gathering for either a social or business purpose at which food or drink was to be served or (2) occupy the Property for her own personal use and benefit, York would not have authorized respondent to lease the Property.

XI

20 By representing to McCallum that she intended to show the 21 Property to prospective tenants, when in fact respondent intended 22to hold a party at the Property, and by thereafter in fact holding a party at the Property, respondent failed in her fiduciary duty 23 |24|to York as her agent to deal fairly, honestly, and competently with York. By occupying the Property for her own personal use and 25 26 benefit, respondent failed in her fiduciary duty to York as her agent to (1) use due diligence to procure a tenant, pursuant to 27

COURT PAPER STATE OF CALIFORNIA STD: 113 (REV. 8-72 1 the terms of the Authorization to Lease, executed by York and 2 respondent and (2) deal fairly, honestly, and competently with 3 York.

### XII

The misrepresentations, acts, and omissions of respondent described hereinabove constitute substantial misrepresentations, negligence, and fraud and/or dishonest dealing. Said conduct is cause under Sections 10176(a), 10177(g), and/or 10176(i) of the Business and Professions Code for suspension or revocation of all licenses and license rights of respondent under the Real Estate Law.

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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 JANA JANNELLE JONES, aka Jana J. Jones under the Real Estate Law and for such other and further relief as may be proper under other applicable provisions of law.

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20 Dated at Los Angeles, California 21 this 23rd day of June, 1983.

Deputy Real/Estate Commissioner

25 cc: Jana Jannelle Jones Fred Sands Realtors 26 Sacto LU

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