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NOV -4 1991

DR. C. Berg

STATE OF CALIFORNIA  
DEPARTMENT OF REAL ESTATE

\* \* \* \* \*

In the Matter of the Accusation of )	No. H-24392 LA
EDDIE E. KANOUSE, )	OAH No. 52179
Respondent. )	

DECISION AFTER RECONSIDERATION

On July 1, 1991, a Decision After Rejection was rendered herein revoking all licenses and license rights of Respondent under the Real Estate Law. Said Decision After Rejection was to become effective at 12 o'clock noon on July 31, 1991.

On July 18, 1991, Respondent requested reconsideration of the Decision After Rejection of July 1, 1991.

On July 25, 1991, an Order Staying Effective Date was rendered herein staying the effective date of the Decision After Rejection of July 1, 1991 for a period of thirty (30) days to 12 o'clock noon on August 30, 1991.

On August 15, 1991, additional argument was submitted by Respondent in support of Respondent's request for reconsideration.

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On August 29, 1991, an Order Granting Reconsideration was entered herein.

I have reconsidered the Decision After Rejection of July 1, 1991 and it is hereby ordered that the disciplinary sanction therein imposed against the restricted real estate salesperson license of Respondent EDDIE E. KANOUSE be reduced by modifying the Order of said Decision to read as follows:

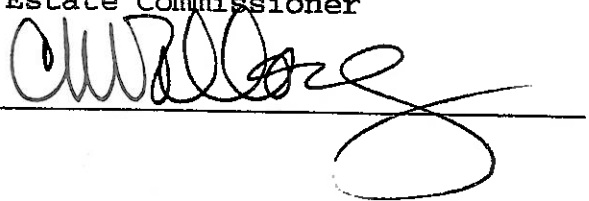
ORDER

All real estate licenses and license rights of Respondent EDDIE E. KANOUSE are hereby suspended for the ninety (90) day period commencing on the effective date of the Decision After Rejection of July 1, 1991.

As hereby modified and amended, the Decision After Rejection of July 1, 1991 shall become effective at 12 o'clock noon on November 26, 1991.

IT IS SO ORDERED October 29, 1991.

CLARK WALLACE  
Real Estate Commissioner





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I find that there is good cause to reconsider the Decision After Rejection of July 1, 1991. Reconsideration is hereby granted.

DATED: August 29, 1991.

Clark Wallace  
CLARK WALLACE  
Real Estate Commissioner

SACTO  
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JUL 25 1991

DEPARTMENT OF REAL ESTATE  
*Sylvia Williams*

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STATE OF CALIFORNIA  
DEPARTMENT OF REAL ESTATE

\* \* \* \* \*

In the Matter of the Accusation of )	No. H-24392 LA
EDDIE E. KANOUSE, )	OAH No. 52179
Respondent. )	

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ORDER STAYING EFFECTIVE DATE

On July 1, 1991, a Decision After Rejection was rendered in the above-entitled matter to become effective at 12 o'clock noon on July 31, 1991.

IT IS HEREBY ORDERED that the effective date of the Decision After Rejection of July 1, 1991, is stayed for a period of thirty (30) days.

The Decision After Rejection of July 1, 1991, shall become effective at 12 o'clock noon on August 30, 1991.

DATED: 23 July 1991

*Randolph Brendia*  
RANDOLPH BRENDIA  
Managing Deputy Commissioner IV  
Southern Regional Manager

SAETO  
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APR 13 1991  
*Sybil Williams*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of )	No. H-24392 LA
) )	
EDDIE E. KANOUSE, )	OAH No. 52179
) )	
Respondent. )	
_____ )	

DECISION AFTER REJECTION

The matter came on for hearing before Milford A. Maron, Administrative Law Judge of the Office of Administrative hearings, in Los Angeles, California, on February 22, 1991.

James L. Beaver, Counsel, represented the complainant. Respondent EDDIE E. KANOUSE was present without counsel.

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

On March 2, 1991, the Administrative Law Judge submitted a Proposed Decision which I declined to adopt as my Decision herein. Pursuant to Section 11517(c) of the Government Code of the State of California, Respondent was served with notice of the Real Estate Commissioner's determination not to adopt the Proposed

1  
2 Decision of the Administrative Law Judge along with a copy of said  
3 Proposed Decision. Respondent was notified that the case would be  
4 decided by the Real Estate Commissioner upon the record, the  
5 transcript of proceedings held on February 22, 1991, and upon any  
6 written argument offered by Respondent.

7 On May 28, 1991, written argument was submitted by  
8 Respondent.

9 I have given careful consideration to the record in this  
10 case including the transcript of proceedings of February 22, 1991.

11 The following shall constitute the Decision of the Real  
12 Estate Commissioner in this proceeding:

13 FINDINGS OF FACT

14 I

15 STEVEN J. ELLIS, Deputy Real Estate Commissioner of the  
16 State of California, filed the Accusation. STEVEN J. ELLIS acted  
17 in his official capacity.

18 II

19 Respondent is licensed as a real estate salesperson in  
20 the State of California under a restricted real estate salesperson  
21 license. The restricted license will expire on July 19, 1991.

22 III

23 On June 4, 1987, a Decision was rendered in Case No. H-  
24 22840 LA, "In the Matter Of The Application Of Eddie E. Kanouse",  
25 then pending before the Department Of Real Estate, State of  
26 California, denying the application of Respondent for a real  
27 estate salesperson license, but granting Respondent the right to  
the issuance of a restricted real estate salesperson license.

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IV

A restricted real estate salesperson license was issued to Respondent on July 20, 1987.

V

On March 29, 1989, an "Order Granting Unrestricted License After Consideration" was entered in said Case No. H-22840 LA, granting Respondent the right to the issuance of an unrestricted real estate salesperson license upon the condition that within one year of March 29, 1989, Respondent apply for that license and prove completion by Respondent, since the most recent issuance of an original or renewal real estate license to Respondent, of forty-five (45) clock hours of attendance at educational courses, seminars, workshops, or conferences, or their equivalent, qualified by the Department for real estate continuing education credit pursuant to the provisions of Section 10170.4 of the Code.

VI

On or about April 10, 1989, Respondent submitted a completed application and paid the fee for an unrestricted real estate salesperson license.

VII

On March 28, 1990, Respondent paid the sum of \$250.00 to UNIVERSITY PROGRAMS, INC. (hereinafter "UPI"), through its agent and employee DEBRA MAGRUDER (hereinafter "MAGRUDER"), and at Respondent's instance and request, in exchange for said payment, MAGRUDER wrongfully provided Respondent certain course approval numbers and dates to be used by Respondent in fabricating false



1  
2 evidence to be presented to the Department ostensibly  
3 demonstrating completion by Respondent, of forty-eight (48) clock  
4 hours of correspondence courses sponsored by UPI which had been  
5 qualified by the Department for real estate continuing education  
6 credit.

7  
8 VIII

9 On March 29, 1990, Respondent represented to the  
10 Department that he had, since the most recent issuance of an  
11 original or renewal real estate license to him, taken the  
12 correspondence courses sponsored by UPI identified below and  
13 completed them on the date specified below, thereby satisfying the  
14 continuing education requirements of Article 2.5 of Chapter 3 of  
15 the Real Estate Law for renewal of a real estate license:

16	Course No. Issued By DRE	Completion Date	Course Title
17	0649-0-54-0188-03	01-28-89	Ethics
18	0649-0-55-0288-21	01-29-90	Home Inspections
19	0649-0-56-0688-21	03-28-90	Managing For Profit
	0649-0-57-0489-03	03-26-90	Agency Relationships

20 IX

21 The representations by Respondent described in Paragraph  
22 VIII, above, were false, as Respondent well knew at the time he  
23 made said representations. In truth, Respondent had not taken or  
24 completed said courses prior to or on the dates specified, or at  
25 any other time or at all.

26 X

27 On or about April 12, 1990, at the instance and request  
of Respondent, MAGRUDER provided the Department a Course

1 Completion Certificate issued by UPI ostensibly evidencing  
2 completion by Respondent of the courses identified below on the  
3 dates specified below:  
4

5	Course No.	Date	Course Title
6	Issued By DRE	Completed	
6	0649-0-54-0188-03	01-20-89	Ethics
7	0649-0-63-0290-21	03-28-90	Home Inspections
7	0649-0-56-0688-21	03-28-90	Managing For Profit
8	0649-0-57-0489-03	03-28-90	Agency Relationships

9 XI

10 The information in said Course Completion Certificate  
11 was false, as Respondent and MAGRUDER well knew when said  
12 certificate was prepared and provided the Department. In truth,  
13 Respondent had not completed said courses prior to or on the dates  
14 specified.

15 XII

16 MAGRUDER and Respondent each appeared and testified at  
17 the hearing on the Accusation held in these proceedings on  
18 February 22, 1991. They admitted Respondent did not enroll in  
19 UPI's continuing education courses until March 28, 1990. Although  
20 MAGRUDER was evasive during her testimony and displayed a  
21 selective memory, both Respondent and MAGRUDER did admit that  
22 after March 28, 1990, they cooperated to create documents for  
23 submission to the Department falsely showing that Respondent  
24 completed continuing education courses with UPI prior to March 28,  
25 1990. Neither Respondent nor MAGRUDER explained why they provided  
26 the Department false course completion information, so their  
27 testimony that Respondent faxed passing final examinations to  
MAGRUDER on March 29, 1990, is rejected as incredible.

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DETERMINATION OF ISSUES

The acts and omissions on the part of Respondent described in Paragraphs VII through XI, inclusive, hereinabove, constituted an attempt by Respondent to obtain an unrestricted real estate salesperson license for himself by fraud, misrepresentation and deceit. Said acts and omissions on the part of Respondent are cause for the suspension or revocation of all licenses and license rights of Respondent under the provisions of Section 10177(a) of the Code.

ORDER

All real estate licenses and license rights of Respondent EDDIE E. KANOUSE, are hereby revoked.

The right to reinstatement of a revoked or suspended real estate license or to the reduction of a penalty is controlled by Section 11522 of the Government code. A copy of Section 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 July 31, 1991, 1991.

IT IS SO ORDERED July 1, 1991.

CLARK WALLACE  
Real Estate Commissioner






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Written argument of respondent to be considered by me must be submitted within 15 days after receipt of the transcript of the proceedings of February 22, 1991, at the Los Angeles office of the Department of Real Estate unless an extension of the time is granted for good cause shown.

Written argument of complainant to be considered by me must be submitted within 15 days after receipt of the argument of respondent at the Los Angeles office of the Department of Real Estate unless an extension of the time is granted for good cause shown.

DATED: March 27, 1991

  
\_\_\_\_\_  
JOHN R. LIBERATOR  
Chief Deputy Real Estate  
Commissioner

BEFORE THE  
DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation )  
of: )  
) No. H-24392 LA  
)  
EDDIE E. KANOUSE, ) L-52179  
)  
)  
)  
) Respondent. )  
\_\_\_\_\_ )

PROPOSED DECISION

On February 22, 1991, in Los Angeles, California, Milford A. Maron, Administrative Law Judge, Office of Administrative Hearings, State of California, heard this matter.

James L. Beaver, Counsel, represented Complainant. Respondent, Eddie E. Kanouse, appeared in person without counsel.

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

I

Steven J. Ellis made the Accusation in his official capacity as a Deputy Real Estate Commissioner.

II

At all times mentioned herein respondent has been and now is licensed by the Department of Real Estate of the State of California as a real estate salesperson.

III

A. On or about June 4, 1987 a Decision was rendered by the Department of Real Estate in "In the Matter of the Application of Eddie E. Kanouse", Case No. H-22840 LA, denying the application of respondent for a real estate salesperson's license, but granting respondent the right to the issuance of a restricted real estate salesperson's license. A restricted real estate salesperson's license was issued to respondent on July 20, 1987.

B. On March 29, 1989, an "Order Granting Unrestricted License After Consideration" was entered, granting respondent the right to the issuance of an unrestricted real estate salesperson's license upon the condition that within one year of March 29, 1989, he apply for that license and prove completion of forty-five (45) clock hours of attendance at educational courses, seminars, workshops, or conferences, or their equivalent, qualified by the Department for real estate continuing education credit.

C. On or about April 10, 1989, respondent submitted a completed application and paid the fee for an unrestricted real estate salesperson's license.

V

A. On March 28, 1990, respondent enrolled in the program conducted by University Programs, Inc., paid the required sums and completed forty-eight (48) clock hours of correspondence courses sponsored by said company which had been qualified by the Department for real estate continuing education credit.

B. The state of the record indicates that respondent faxed his passing final examinations no later than March 29, 1990 to the subject company. The examinations were mislaid by the company. This was ultimately rectified by respondent's follow-up of duplicate final examinations, and he was thereafter issued a certification of completion on April 12, 1990.

C. Respondent substantially complied with the continuing education requirements of the Department of Real Estate.

\* \* \* \* \*

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

No cause for disciplinary action was established pursuant to Section 10177(a) of the Business and Professions Code, in that respondent substantially satisfied the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law.

\* \* \* \* \*

WHEREFORE, THE FOLLOWING ORDER is hereby made:

The Accusation is dismissed.

DATED: March 2, 1991

*Milford A. Maron*  
MILFORD A. MARON  
Administrative Law Judge  
Office of Administrative Hearings

MAM:btm



1 James L. Beaver, Counsel  
2 Department of Real Estate  
3 107 South Broadway, Room 8107  
4 Los Angeles, California, 90012

5 (213) 620-4790

NOV 16 1990

DEPARTMENT OF REAL ESTATE

BY *Sylvia Williams*

6 BEFORE THE DEPARTMENT OF REAL ESTATE

7 STATE OF CALIFORNIA

8 \* \* \* \* \*

9 In the Matter of the Accusation of ) H- 24392 LA  
10 EDDIE E. KANOUSE, ) ACCUSATION  
11 Respondent. )  
12 \_\_\_\_\_ )

13 The Complainant, STEVEN J. ELLIS, a Deputy  
14 Real Estate Commissioner of the State of California, for  
15 cause of Accusation against EDDIE E. KANOUSE (hereinafter  
16 "Respondent"), is informed and alleges as follows:

17 I

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

22 II

23 The Complainant, STEVEN J. ELLIS, a Deputy  
24 Real Estate Commissioner of the State of California, makes  
25 this Accusation against Respondent in his official capacity.  
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III

At all times mentioned herein Respondent has been and now is licensed by the Department of Real Estate of the State of California (hereinafter "the Department") as a real estate salesperson.

IV

On or about June 4, 1987, a Decision was rendered in Case No. H-22840 LA, "In the Matter Of The Application Of Eddie E. Kanouse", then pending before the Department Of Real Estate, State of California, denying the application of Respondent for a real estate salesperson license, but granting Respondent the right to the issuance of a restricted real estate salesperson license.

V

A restricted real estate salesperson license was issued to Respondent on July 20, 1987.

VI

On March 29, 1989, an "Order Granting Unrestricted License After Consideration" was entered in said Case No. H-22840 LA, granting Respondent the right to the issuance of an unrestricted real estate salesperson license upon the condition that within one year of March 29, 1989, Respondent apply for that license and prove completion by Respondent, since the most recent issuance of an original or renewal real estate license to Respondent, of forty-five (45) clock hours of attendance at educational courses, seminars, workshops, or conferences, or their equivalent, qualified by

1 the Department for real estate continuing education credit  
2 pursuant to the provisions of Section 10170.4 of the Code.

3 VII

4 On or about April 10, 1989, Respondent  
5 submitted a completed application and paid the fee for an  
6 unrestricted real estate salesperson license.

7 VIII

8 On or about March 28, 1990, Respondent paid  
9 the sum of \$250.00 to UNIVERSITY PROGRAMS, INC. (hereinafter  
10 "UPI"), through its agent and employee DEBRA MAGRUDER  
11 (hereinafter "MAGRUDER"), and at Respondent's instance and  
12 request, in exchange for said payment, MAGRUDER wrongfully  
13 provided Respondent certain course approval numbers and dates  
14 to be used by Respondent in fabricating false evidence to be  
15 presented to the Department ostensibly demonstrating  
16 completion by Respondent, of forty-eight (48) clock hours of  
17 correspondence courses sponsored by UPI which had been  
18 qualified by the Department for real estate continuing  
19 education credit.

20 IX

21 On or about April 2, 1990, Respondent  
22 represented to the Department that he had, since the most  
23 recent issuance of an original or renewal real estate license  
24 to him, taken the correspondence courses sponsored by UPI  
25 identified below and completed them on the date specified  
26 below, thereby satisfying the continuing education  
27

1 requirements of Article 2.5 of Chapter 3 of the Real Estate  
2 Law for renewal of a real estate license:

3

4	Course No. Issued By DRE	Date Completed	Course Title
5	0649-0-54-0188-03	01-28-89	Ethics
6	0649-0-55-0288-21	01-29-90	Home Inspections
7	0649-0-56-0688-21	03-28-90	Managing For Profit
7	0649-0-57-0489-03	03-26-90	Agency Relationships

8 X

9 The representations by Respondent described in  
10 Paragraph IX, above, were false, as Respondent well knew at  
11 the time he made said representations. In truth, Respondent  
12 had not taken or completed said courses prior to or on the  
13 dates specified, or at any other time or at all.

14 XI

15 On or about April 12, 1990, at the instance  
16 and request of Respondent, UPI and its agents and employees  
17 provided the Department a Course Completion Certificate  
18 issued by UPI ostensibly evidencing completion by Respondent  
19 of the courses identified below on the dates specified below:

20

21	Course No. Issued By DRE	Date Completed	Course Title
22	0649-0-54-0188-03	01-20-89	Ethics
22	0649-0-63-0290-21	03-28-90	Home Inspections
23	0649-0-56-0688-21	03-28-90	Managing For Profit
23	0649-0-57-0489-03	03-28-90	Agency Relationships

24 XII

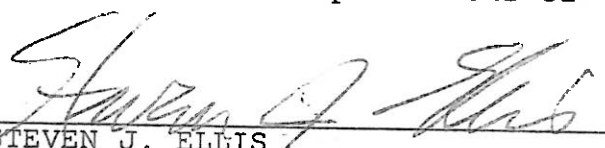
25 The information in Respondent's Course  
26 Completion Certificate was false, as Respondent and UPI and  
27 UPI's agents and employees well knew when said certificate

1 was prepared and provided the Department. In truth,  
2 Respondent had not taken or completed said courses prior to  
3 or on the dates specified, or at any other time or at all.

4 XIII

5 The acts and omissions on the part of  
6 Respondent described in Paragraphs VII through XII,  
7 inclusive, hereinabove, constituted an attempt by Respondent  
8 to obtain an unrestricted real estate salesperson license for  
9 himself by fraud, misrepresentation and deceit. Said acts  
10 and omissions on the part of Respondent are cause for the  
11 suspension or revocation of all licenses and license rights  
12 of Respondent under the provisions of Section 10177(a) of the  
13 Code.

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

22   
23 STEVEN J. ELLIS  
24 Deputy Real Estate Commissioner

25 Dated at Los Angeles, California  
26 this 16th day of November, 1990.  
27