

By Laura B. Cross

* * *

SABINA JOHNSEN PROPERTY
MANAGEMENT, INC., a California
corporate broker; and
SABINA CHRISTINE JOHNSEN,
individually and as
designated officer of
Sabina Johnsen Property
Management, Inc.,

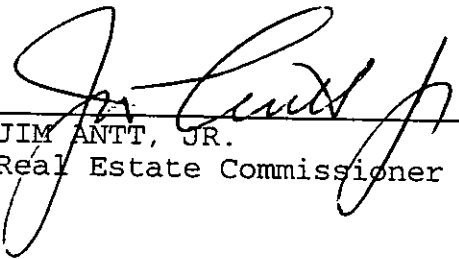
Respondents.

On October 26, 1998, Respondent SABINA CHRISTINE JOHNSEN filed a petition to pay a monetary penalty in lieu of the actual suspension of her real estate license as provided in the Decision in this matter. I have considered the petition of Respondent and facts upon which it was found that Respondent violated provisions

1 of the Real Estate Law (Sections 10000 et seq. of the Business and
2 Professions Code) is not in the public interest and the public
3 welfare to allow the payment of a monetary penalty.

4 The Decision of October 7, 1998, shall become effective
5 at 12 o'clock noon on December 3, 1998.

6 IT IS SO ORDERED 11/30, 1998.

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10 JIM ANTT, JR.
11 Real Estate Commissioner
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FILED
OCT 27 1998
DEPARTMENT OF REAL ESTATE

By *Laura B. Lima*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of)

SABINA JOHNSEN PROPERTY)

MANAGEMENT, INC., a California)

corporate broker; and,)

SABINA CHRISTINE JOHNSEN,)

individually and as)

designated officer of)

Sabina Johnsen Property)

Management, Inc.)

Respondents.)

No. H-27656 LA
L-1998050140

ORDER STAYING EFFECTIVE DATE

On October 7, 1998, a Decision was rendered in the above-entitled matter to become effective November 3, 1998.

IT IS HEREBY ORDERED that the effective date of the Decision of October 7, 1998, is stayed for a period of 30 days.

The Decision of October 7, 1998, shall become effective at 12 o'clock noon on December 3, 1998.

DATED 10-27-98

Randolph Brendia
Randolph Brendia
Regional Manager



FILED
OCT 13 1998
DEPARTMENT OF REAL ESTATE

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

By Sandra B. Young

* * * * *

In the Matter of the Accusation of

No. H-27656 LA

SABINA JOHNSEN PROPERTY
MANAGEMENT, INC., A California
corporate broker; SABINA CHRISTINE
JOHNSEN, individually and as
designated officer of Sabina
Johnsen Property Management, Inc.,

L-1998050140

Respondent(s).

DECISION

The Proposed Decision dated September 23, 1998,
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 November 3, 1998.

IT IS SO ORDERED

10/7/98

JIM ANTT, JR.
Real Estate Commissioner

J. Antt Jr.

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation)
Against:)

SABINA JOHNSEN PROPERTY)
MANAGEMENT, INC., A Cal-)
ifornia corporate broker;)
SABINA CHRISTINE JOHNSEN,)
individually and as des-)
ignated officer of Sabina)
Johnsen Property Manage-)
ment, Inc.,)

Respondents.)

No. H 27656 LA

OAH NO. L-1998050140

PROPOSED DECISION

On July 15, 1998, at Los Angeles, California, Joseph D. Montoya, Administrative Law Judge ("ALJ"), Office of Administrative Hearings, State of California, heard this matter.

Mr. Elliott Mac Lennan, Staff Counsel, represented the Complainant. Ms. Sabina Johnsen appeared personally and with her attorney, Mr. Lawrence H. Lackman, who also represented the corporate respondent.

Evidence was received and the matter argued on the hearing date. The record was held open in the event Complainant desired to submit further evidence pertaining to the alleged disassociation of the individual Respondent from the corporate Respondent.

The ALJ later had conversations with Complainant's attorney to clarify whether further evidence would be submitted. In learning that Complainant declined to submit such further evidence, the ALJ determined he should give notice of an ex parte conversation. Respondent made a reply to that notice, which is made part of the record as Exhibit "B". The case was therefore submitted for decision effective September 11, 1998.

FACTUAL FINDINGS

1. The Accusation in the above-captioned matter was

filed by Thomas J. McCrady while he was acting in his official capacity as a Deputy Real Estate Commissioner, Department of Real Estate ("the Department"), State of California.

2. (A) Respondent Sabina Johnsen Property Management, Inc. (sometimes hereafter "SJPMI") is a California corporation. It is licensed by the Department as a corporate real estate broker, holding license number 01061382. It was originally licensed on January 30, 1990.¹

(B) As its name implies, SJPMI was and is in the business of property management, leasing or renting properties on the behalf of others, collecting the rents of such properties, and otherwise managing real properties for their owners.

3. (A) Respondent Sabina Christine Johnsen (sometimes hereafter "Johnsen") is an individual presently licensed as a real estate broker. Holding license no. 00602899, she was first licensed as a broker on January 30, 1990. Ms. Johnsen was the designated officer of SJPMI from that date until approximately July 14, 1998, when she dissociated herself from the corporate Respondent.

(B) Prior to obtaining her broker's license, Johnsen was licensed by the Department as a real estate salesperson, beginning in approximately 1978.

4. On November 11, 1997, the Department conducted an audit of SJPMI's books and records. The audit was for the period from July 1, 1995, through August 20, 1997. That audit revealed the following business practices by SJPMI:

(A) SJPMI maintained three separate trust accounts. Those accounts were used to collect rents, pay expenses, and otherwise hold the funds of Respondent's clients and their tenants.

(B) SJPMI, under Johnsen's direction, followed the practice of executing checks drawn off the trust accounts upon the receipt of invoices for client obligations, such as repair and utility bills. However, the checks were held in a file, and not transmitted to the creditor unless and until there were sufficient client funds in the trust account to cover those checks.

(C) If such checks had actually been delivered to the creditors when executed, then there would have been a shortfall among the three trust accounts of \$24,948.66. The fact that the

¹ Although there was a motion to dismiss SJPMI on the authority of the Amvest decision (59 Cal. App. 4th 1239), findings as to its activities must be made in order to make findings regarding Ms. Johnsen.

checks had been executed created a difference between the balance shown in the account registers, and the balance shown by the banks holding those accounts.

(D) However, none of those checks were issued or delivered to any third party until sufficient monies had been received to cover them.

5. The audit further established, and it is hereby found, that Respondent SJPMI failed to reconcile its trust funds on a monthly basis.

6. The audit also established, and it is hereby found, that Respondent SJPMI failed to maintain copies of certain records, primarily copies of client expense records. Thus, SJPMI could not produce them for the Department's review. This occurred because Respondents sent the original records directly to the clients, without retaining copies of them.

7. (A) Respondent Johnsen failed to adequately supervise and manage SJPMI during, at least, the audit period. During that time, Johnsen was residing with her daughter in Georgia. Day-to-day operation of the business was left to the management of Ms. Athena Desiree Marano, a broker licensed by the Department and employed by SJPMI.

(B) Initially, Johnsen left the Los Angeles area to stay with her daughter during a family problem. Respondent regularly travelled back to Los Angeles to oversee operations. She was also in regular contact with the firm by telephone and facsimile transmission. However, as time passed, her trips here became less frequent, and she gave more and more control to Ms. Marano, who was going to buy the business.

(C) In approximately April 1997 Johnsen returned to California on a full-time basis, and resumed management of the firm. She discovered that Marano, a long-time friend and a person in whom Johnsen reposed trust and confidence, had taken advantage of that trust, and embezzled from the firm. Johnsen terminated Marano, and took steps to remedy those problems revealed by the audit.

8. At the hearing on this matter Johnsen accepted responsibility for the corporation's deficiencies, and her failure to properly supervise the firm. She was remorseful, chagrined, and plainly embarrassed. Prior to disassociating herself from the corporation as designated officer, she remedied those problems revealed by the audit. From her demeanor and testimony, it is inferred that she is unlikely to deviate from proper professional practices in the future.

9. In mitigation, there was no evidence of any harm to

any member of the public. Respondent credibly testified that her practice of holding the expense checks and of sending some expense documents directly to clients had passed review in two prior audits. Respondent Johnsen has no prior discipline by the Department.

CONCLUSIONS OF LAW

As to Respondent SJPMI:

1. Cause was not established to suspend or discipline the license of Respondent SJPMI pursuant to Business and Professions Code section 10145 and Title 10, California Code of Regulations, section 2832.1,² for a shortfall in trust funds, based on Finding of Fact 4(A)-(D), and the discussion set forth below.

2. Cause was established to suspend or discipline the license of Respondent SJPMI pursuant to Code section 10145 and CCR section 2831.2, for failing to perform a monthly reconciliation of all trust funds received, based on Finding of Fact 5.

3. Cause was established to suspend or discipline the license of Respondent SJPMI pursuant to Code section 10148 for failure to maintain certain records of Respondent's activity, and for failing to produce them, based on Finding of Fact 6.

4. It was not established that any member of the public was harmed by the violations set forth in Conclusions of Law 2 and 3, based on Finding of Fact 9.

5. Notwithstanding the violations established herein, the Accusation against SJPMI must be dismissed, in light of Respondent Sabina Johnsen's disassociation from the firm, based on Finding of Fact 8, and the discussion set forth below.

As to Respondent Sabina Johnsen:

6. Cause exists to suspend or revoke the broker's license held by Respondent Sabina Johnsen, for her failure to adequately supervise and control Respondent SJPMI, and for that firm's violations of the Real Estate Law, based on Findings of Fact 5 through 7(C), and Conclusions of Law 2 and 3.

² Hereafter, all statutory citations shall be to the Business and Professions Code, cited as "Code", along with the section number, unless otherwise noted. Citations to regulations shall be to Title 10 of the California Code of Regulations, cited as "CCR", along with the section number, unless otherwise noted.

7. There are mitigating facts to consider in imposing discipline, as well as evidence of rehabilitation, based on Findings of Fact 8 and 9.

8. It is determined that the public welfare will be protected by some discipline less than the outright revocation of Respondent Sabina Johnsen's license, based on all the facts and circumstances, and the discussion below.

Discussion and Rationale:

The practice of executing and holding the trust account checks did not constitute a violation, in part because no statute or regulation prohibits such practice. That fact, stated by the auditor in the hearing, was confirmed by the ALJ's independent legal research.

The mere act of executing a check does not create a legal liability for the holder of the account. Until the check is actually delivered to some person, it has no effect, because it has not been negotiated. (See 3 B. Witkin, Summary of California Law (9th Ed.), Negotiable Instruments, section 35.) To hold that the difference between the bank account balance and the "check book balance" supports discipline elevates form over substance in a situation where the practice is not only not forbidden by law, but has been sanctioned in prior audits of SJPMI.³

At the hearing, Ms. Johnsen provided evidence that she had disassociated herself from the corporation. Complainant's counsel gave notice that Complainant declined to provide any further evidence. Therefore, the Accusation against SJPMI will be dismissed, pursuant to Amvest Mortgage Corp. v. Annt, (1997) 58 Cal. App. 4th 1239.

That can not be the case as to Ms. Johnsen. Her most serious failing was abdication of her supervisory responsibilities in favor of Ms. Marano. Although she had reason to trust Ms. Marano to manage the firm, delegation of supervision to that person was improper, and for far too long a period. Had Ms. Johnsen absented herself for a vacation, even an extended one, liability might not follow. However, she was essentially a non-resident of California for some two years. Even in this age of facsimile machines and computer modems, more is required of the supervising broker than telephone contact, and an occasional trip to the office.

³ To be sure, Respondent's practice exposes the trust account res to some risk. If the checks were stolen, and then negotiated to some third party such as a bank or check cashing business, the account might be liable if the person cashing the checks had no notice of the thefts.

Fortunately, no member of the public was harmed by Respondent's actions and improper bookkeeping practices. The only ones to suffer were the corporation and Ms. Johnsen. The former suffered some financial loss, and the latter emotional upset, because of Ms. Marano's malfeasance.

There were other mitigating facts, and evidence of rehabilitation. Ms. Johnsen testified in a credible manner that all the complained-of procedures have been changed. She exhibited such remorse and embarrassment that, in light of the fact she has no prior discipline, it is unlikely she will violate the rules again. Further, she offered to personally pay for a further audit of the corporation's activities, to establish that the improper procedures have been corrected.

It is determined that Respondent's license should be revoked, and the revocation stayed, on the condition she be placed on probation, and actually suspended for thirty days.

ORDER

1. The Accusation against Respondent Sabina Johnsen Property Management, Inc., is hereby dismissed.

2. All licenses and licensing rights of Respondent Sabina Christine Johnsen 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:

(A) Any restricted real estate license issued to Respondent pursuant to this Decision shall be suspended for thirty (30) days from the date of issuance of said restricted license.

(B) 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.

(C) 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.

(D) 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 three years have elapsed from the effective date of this Decision.

(E) 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.

(F) Respondent shall, within six months from the effective date of this Decision, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If Respondent fails to satisfy this condition, the Commissioner may order suspension of Respondent's license until Respondent passes the examination.

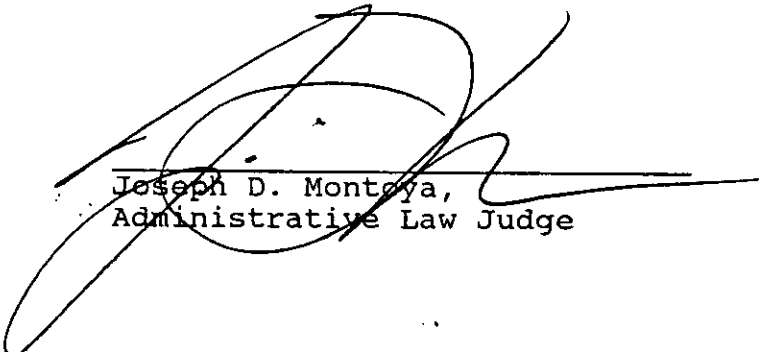
(G) Respondent shall report in writing to the Department of Real Estate as the Real Estate Commissioner shall direct by his Decision herein or by separate written order issued while the restricted license is in effect such information concerning Respondent's activities for which a real estate license is required as the Commissioner shall deem to be appropriate to protect the public interest.

Such reports may include, but shall not be limited to, periodic independent accountings of trust funds in the custody and control of Respondent and periodic summaries of salient information concerning each real estate transaction in which the Respondent engaged during the period covered by the report.

(H) Pursuant to Section 10148 of the Business and Professions Code, Respondent Sabina Johnsen shall personally pay the Commissioner's reasonable cost for an audit to determine if Respondent SJPMI has corrected the trust fund violations found in Conclusion of Law number 2. In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly salary for all persons performing audits of real estate brokers, and shall include an allocation for travel

time to and from the auditor's place of work. Respondent Sabina Johnsen shall pay such cost within 45 days of receiving an invoice from the Commissioner detailing the activities performed during the audit and the amount of time spent performing those activities. The Commissioner may suspend the restricted license issued to respondent pending a hearing held in accordance with Section 11500, et seq., of the Government Code, if payment is not timely made as provided for herein, or as provided for in a subsequent agreement between the Respondent and the Commissioner. The suspension shall remain in effect until payment is made in full or until Respondent enters into an agreement satisfactory to the Commissioner to provide for payment, or until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

September 23, 1998



Joseph D. Montoya,
Administrative Law Judge

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

FILED
MAY 19 1998
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of) Case No. H-27656 LA
) OAH No. L- 1998050140
SABRINA JOHNSEN PROPERTY,)
MANAGEMENT, et al.,)
Respondents.)

By Laura B. Crane

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at Office of Administrative Hearings, 107 South Broadway, 2nd Floor, Los Angeles, California, on JULY 15, 1998, at the hour of 9:00 a.m. or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served upon you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of hearing.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

Dated: MAY 19 1998

DEPARTMENT OF REAL ESTATE

By: E. J. L.
ELLIOTT MACLENNAN, Counsel

cc: Sabina Johnsen Property Management
Sabina Christine Johnsen
Sacto.
OAH

RE 501 (Rev. 8/97)

*Sacto
Jury*

ELLIOTT MAC LENNAN, Counsel
State Bar No. 66674
Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, California 90012
Telephone (213) 897-3937

FILED
APR 28, 1998
DEPARTMENT OF REAL ESTATE
By *Shirley B. Jones*

THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)
SABINA JOHNSEN PROPERTY)
MANAGEMENT, INC., a California)
corporate broker; and,)
SABINA CHRISTINE JOHNSEN,)
individually and as)
designated officer of)
Sabina Johnsen Property)
Management, Inc.)
Respondents.)

No. H-27656 LA

A C C U S A T I O N

The Complainant, Thomas McCrady, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against SABINA JOHNSEN PROPERTY MANAGEMENT, INC., and SABINA CHRISTINE JOHNSEN, individually and as designated officer of Sabina Johnsen Property Management, Inc., is informed and alleges in his official capacity as follows:

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SABINA JOHNSEN PROPERTY MANAGEMENT, INC. (SJPMI), and
SABINA CHRISTINE JOHNSEN (JOHNSEN), individually and as designated
officer of Sabina Johnsen Property Management, Inc., sometimes
collectively referred to as Respondents, are presently licensed
and/or have license rights under the Real Estate Law (Part 1 of
Division 4 of the California Business and Professions Code).

II

All references to the "Code" are to the California
Business and Professions Code and all references to "Regulations"
are to Title 10, Chapter 6, California Code of Regulations.

III

At all times mentioned, SJPMI was licensed by the
Department of Real Estate of the State of California (Department)
as a corporate real estate broker. SJPMI and JOHNSEN were
originally licensed on January 30, 1990.

IV

At all times mentioned, JOHNSEN was licensed by the
Department as designated officer of SJPMI to qualify SJPMI and to
act for SJPMI as a real estate broker and, as provided by Section
10159.2 of the Code, was responsible for the supervision and
control of the activities conducted on behalf of SJPMI by its
officers, managers and employees as necessary to secure full
compliance with the provisions of the Real Estate Law including
the supervision of the salespersons licensed to the corporation in
the performance of acts for which a real estate license is
required.

V

Whenever reference is made in an allegation in the Accusation to an act or omission of SJPMI such allegation shall be deemed to mean that the officers, directors, managers, employees, agents and real estate licensees employed by or associated with SJPMI committed such act or omission while engaged in the furtherance of the business or operation of SJPMI and while acting within the course and scope of its corporate authority, agency and employment.

VI

At all times mentioned, in the City of Lawndale, Los Angeles County, SJPMI acted as a real estate broker within the meaning of Section 10131(b) of the Code including the operation and conduct of a property management business with the public wherein, for or in expectation of compensation, for another or others, leased or rented or offered to lease or rent, or placed for rent, or solicited listings of places for rent, or solicited for prospective tenants, or collected rents from real property, or improvements thereon.

VII

On November 11, 1997, the Department completed a field audit examination of the books and records of SJPMI pertaining to the activities described in Paragraph VI. The audit examination covered the period of time beginning on July 1, 1995 and ending on August 20, 1997. The audit examination revealed the following violations of the Code and the Regulations.

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VIII

At all times mentioned, in connection with the property management activities described in Paragraph VI, SJPMI accepted or received funds in trust (trust funds) from or on behalf of actual or prospective lessors and lessees, and thereafter made disposition of such funds. SJPMI maintained the following trust accounts as the depository of said funds:

"Sabina Johnsen Broker Trust Account (T/A #1)
Account Number 01-033-123"
Rancho Vista National Bank
Vista, California

"Sabina Johnsen Property Management, Inc. (T/A #2)
Broker Trust Account
Account Number 01-013-003"
Rancho Vista National Bank
Vista, California

"Sabina Johnsen Property Management, Inc. Trust Account
Account Number 0290-79038"
Wells Fargo Bank (T/A #3)
Hawthorne Office
Hawthorne, California

IX

With respect to the trust funds referred to in Paragraph VIII, it is alleged that SJPMI:

(a) Permitted, allowed or caused the disbursement of trust funds from T/A #1, T/A #2 and T/A #3 where the disbursement of said funds reduced the total of aggregate funds in these three trust accounts, to an amount which, on August 20, 1997, was \$24, 948.66 less than the existing aggregate trust fund liability of Respondent's to every principal who was an owner of said funds, without first obtaining the prior written consent of the owners of the funds, as required by Section 10145 of the Code and Section



1 2832.1 of the Regulations; and

2 (b) Failed to perform a monthly reconciliation of all
3 trust funds received with the balance of all separate or
4 beneficiary records, as required by Regulation 2831.2.

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6 The conduct of SJPMI, described in Paragraph IX,
7 violated the Code and the Regulations as set forth below:

8 PARAGRAPH

PROVISIONS VIOLATED

9 IX(a) Section 10145 of the Code and
10 Section 2832.1 of the Regulations
11

12 IX(b) Section 10145 of the Code and
13 Section 2831.2 of the Regulations

14 Each of the foregoing violations separately constitutes cause for
15 the suspension or revocation of the real estate license and
16 license rights of SJPMI under Section 10177(d) of the Code.
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18 XI

19 During the course of the audit examination, the
20 Department attempted to complete a field audit examination of the
21 books and records of SJPMI pertaining to the activities described
22 in Paragraph VI, above, for the period beginning on July 1, 1995
23 and ending on August 20, 1997. SJPMI failed to produce or
24 maintain certain records of SJPMI's activity during this period
25 requiring a real estate license including invoices for expenses
26 paid for nine (9) property owners in violation of Section 10148 of
27 the Code.



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XII

The overall conduct of JOHNSEN, constitutes a failure on her part, as officer designated by a corporate broker licensee, responsible for the supervision and control over the activities conducted on behalf of SJPMI by its officers, managers and employees as necessary to secure full compliance with the provisions of the Real Estate Law including the supervision of the salespersons licensed to the corporation in the performance of acts for which a real estate license is required. Additionally, during the period of October 1994 to May 1997, JOHNSEN moved to Georgia delegating the supervisory responsibility for managing SJPMI to Athena Desiree Marano, a real estate broker employed as a salaried employee of SJPMI. This conduct is cause for the suspension or revocation of the real estate license and license rights of JOHNSEN pursuant to the provisions of Sections 10159.2 and 10177(d) of the Code.

XIII

The overall conduct of SJPMI constitutes negligence or incompetence. This conduct and these violations are cause for the suspension or revocation of the real estate license and license rights of SJPMI under Section 10177(g) of the Code.

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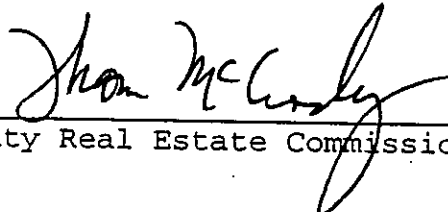
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1 WHEREFORE, Complainant prays that a hearing be conducted
2 on the allegations of this accusation and that upon proof thereof,
3 a decision be rendered imposing disciplinary action against the
4 license and license rights of s SABINA JOHNSEN PROPERTY
5 MANAGEMENT, INC., and SABINA CHRISTINE JOHNSEN individually and as
6 designated officer or Sabina Johnsen Property Management, Inc.,
7 under the Real Estate Law (Part 1 of Division 4 of the Business
8 and Professions Code) and for such other and further relief as may
9 be proper under other applicable provisions of law.

10 Dated at Los Angeles, California

11 this 28th day of April, 1998.

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13 _____
14 Deputy Real Estate Commissioner
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25 cc Sabina Christine Johnsen
26 c/o Sabina Johnsen Property Management, Inc.
27 Sacto
LK