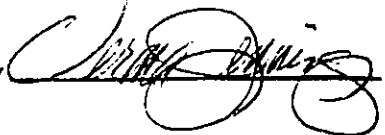


1 Department of Real Estate
320 West Fourth Street, Suite 350
2 Los Angeles, California 90013-1105
3 Telephone: (213) 576-6982

FILED
JAN 19 2000
DEPARTMENT OF REAL ESTATE

By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) NO. H-28193 LA
12 JOHANN HANNES STEINLECHNER,) L-1999090072
13 doing business as American) STIPULATION AND AGREEMENT
14 Neighborhood Real Estate)
15 Scout Association, American)
16 Neighborhood Real Estate Scout,)
17 and Rocklechner International)
18 Real Estate,)
19 Respondent.)

18 It is hereby stipulated by and between JOHANN HANNES
19 STEINLECHNER, doing business as American Neighborhood Real Estate
20 Scout Association, American Neighborhood Real Estate Scout, and
21 Rocklechner International Real Estate (hereinafter "Respondent"),
22 and the Complainant, acting by and through Tuan Van Lai, Counsel
23 for the Department of Real Estate, as follows for the purpose of
24 settling and disposing of the Accusation filed on July 15, 1999,
25 in this matter:

26 1. All issues which were to be contested and all
27 evidence which was to be presented by Complainant and Respondent



1 at a formal hearing on the Accusation, which hearing was to be
2 held in accordance with the provisions of the Administrative
3 Procedure Act (APA), shall instead and in place thereof be
4 submitted solely on the basis of the provisions of this
5 Stipulation and Agreement.

6 2. Respondent has received, read and understands the
7 Statement to Respondent, the Discovery Provisions of the APA and
8 the Accusation filed by the Department of Real Estate in this
9 proceeding.

10 3. On August 23, 1999, Respondent filed a Notice of
11 Defense pursuant to Section 11506 of the Government Code for the
12 purpose of requesting a hearing on the allegations in the
13 Accusation. Respondent hereby freely and voluntarily withdraws
14 said Notice of Defense. Respondent acknowledges that he
15 understands that by withdrawing said Notice of Defense he will
16 thereby waive his right to require the Commissioner to prove the
17 allegations in the Accusation at a contested hearing held in
18 accordance with the provisions of the APA and that he will waive
19 other rights afforded to him in connection with the hearing such
20 as the right to present evidence in defense of the allegations in
21 the Accusation and the right to cross-examine witnesses.

22 4. This Stipulation and Agreement is based on factual
23 allegations contained in the Accusation. In the interest of
24 expedience and economy, Respondent chooses not to contest these
25 allegations, but to remain silent and understands that, as a
26 result thereof, these factual allegations, without being admitted
27 or denied, will serve as a prima facie basis for the disciplinary



1 action stipulated to herein. The Real Estate Commissioner shall
2 not be required to provide further evidence to prove said factual
3 allegations.

4 5. It is understood by the parties that the Real
5 Estate Commissioner may adopt the Stipulation and Agreement as
6 her Decision in this matter, thereby imposing the penalty and
7 sanctions on Respondent's real estate licenses and license rights
8 as set forth in the below "Order". In the event that the
9 Commissioner in her discretion does not adopt the Stipulation and
10 Agreement, it shall be void and of no effect, and Respondent
11 shall retain the right to a hearing and proceeding on the
12 Accusation under all the provisions of the APA and shall not be
13 bound by any admission or waiver made herein.

14 6. The Order or any subsequent Order of the Real
15 Estate Commissioner made pursuant to this Stipulation and
16 Agreement shall not constitute an estoppel, merger or bar to any
17 further administrative or civil proceedings by the Department of
18 Real Estate with respect to any matters which were not
19 specifically alleged to be causes for accusation in this
20 proceeding.

21 7. Respondent understands that by agreeing to this
22 Stipulation and Agreement, Respondent agrees to pay, pursuant to
23 Section 10148 of the Business and Professions Code, the cost of
24 the audit which led to this disciplinary action. The amount of
25 said cost is \$1,188.00.

26 8. Respondent has received, read, and understands the
27 "Notice Concerning Costs of Subsequent Audit." Respondent



1 further understands that by agreeing to this Stipulation and
2 Agreement, the findings set forth below in the DETERMINATION OF
3 ISSUES become final, and that the Commissioner may charge
4 Respondent for the costs of any subsequent audit conducted
5 pursuant to Section 10148 of the Business and Professions Code to
6 determine if the violations have been corrected. The maximum
7 costs of said audit will not exceed \$1,000.00.

8 DETERMINATION OF ISSUES

9 By reason of the foregoing stipulations, admissions and
10 waivers and solely for the purpose of settlement of the pending
11 Accusation without a hearing, it is stipulated and agreed that
12 the following determination of issues shall be made:

13 The conduct, acts and/or omissions of Respondent, as
14 alleged in the Accusation, are violations of Sections 10145 and
15 10148 of the Business and Professions Code (hereinafter "Code")
16 and Sections 2831, 2831.1, 2831.2, 2832, 2834, and 2726 of Title
17 10, Chapter 6, California Code of Regulations (hereinafter
18 "Regulations"), which are cause for the suspension or revocation
19 of all of the real estate licenses and license rights of
20 Respondent under the provisions of Section 10177(d) of the Code.

21 ORDER

22 WHEREFORE, THE FOLLOWING ORDER is hereby made:

23 All licenses and license rights of Respondent JOHANN
24 HANNES STEINLECHNER under the Real Estate Law are revoked;
25 provided, however, a restricted real estate broker license
26 shall be issued to Respondent pursuant to Section 10156.5 of
27 the Business and Professions Code if Respondent makes



1 application therefore and pays to the Department of Real Estate
2 the appropriate fee for the restricted license within 90 days
3 from the effective date of this Decision. The restricted
4 license issued to Respondent shall be subject to all of the
5 provisions of Section 10156.7 of the Business and Professions
6 Code and to the following limitations, conditions and
7 restrictions imposed under authority of Section 10156.6 of that
8 Code:

9 1. The restricted license issued to Respondent may
10 be suspended prior to hearing by Order of the
11 Real Estate Commissioner in the event of Respondent's
12 conviction or plea of nolo contendere to a crime
13 which is substantially related to Respondent's
14 fitness or capacity as a real estate licensee.

15 2. The restricted license issued to Respondent may
16 be suspended prior to hearing by Order of the
17 Real Estate Commissioner on evidence satisfactory to
18 the Commissioner that Respondent has violated
19 provisions of the California Real Estate Law, the
20 Subdivided Lands Law, Regulations of the Real Estate
21 Commissioner or conditions attaching to the
22 restricted license.

23 3. Respondent shall not be eligible to apply for the
24 issuance of an unrestricted real estate license nor
25 for the removal of any of the conditions, limitations
26 or restrictions of a restricted license until one

27 ///



1 year has elapsed from the effective date of this
2 Decision.

3 4. Respondent shall, within nine months from the
4 effective date of this Decision, present evidence
5 satisfactory to the Real Estate Commissioner that
6 Respondent has, since the most recent issuance of an
7 original or renewal real estate license, taken and
8 successfully completed the continuing education
9 requirements of Article 2.5 of Chapter 3 of the Real
10 Estate Law for renewal of a real estate license. If
11 Respondent fails to satisfy this condition, the
12 Commissioner may order the suspension of the
13 restricted license until the Respondent presents such
14 evidence. The Commissioner shall afford Respondent
15 the opportunity for a hearing pursuant to the
16 Administrative Procedure Act to present such
17 evidence.

18 5. Respondent shall, within six months from the date
19 of this Decision, take and pass the Professional
20 Responsibility Examination administered by the
21 Department including the payment of appropriate
22 examination fee. If Respondent fails to satisfy this
23 condition, the Commissioner may order suspension of
24 Respondent's license until Respondent passes the
25 examination.

26 6. Pursuant to Section 10148 of the Code, Respondent
27 shall pay the Commissioner's reasonable cost for:



1 a) the audit which led to this disciplinary action
2 and, b) a subsequent audit to determine if Respondent
3 has corrected trust fund violations set forth above.
4 The cost of the audit which led to this disciplinary
5 action is \$1,188.00. In calculating the amount of
6 the Commissioner's reasonable cost for the subsequent
7 audit, the Commissioner may use the estimated average
8 hourly salary for all persons performing audits of
9 real estate brokers, and shall include an allocation
10 for travel time to and from the auditor's place of
11 work. Said amount for the subsequent audit shall not
12 exceed \$1,000.00. Respondent shall pay such costs
13 within (60) days of receiving an invoice from the
14 Commissioner detailing the activities performed
15 during the audit and the amount of time spent
16 performing those activities. The Commissioner may
17 suspend the restricted license issued to Respondent
18 pending a hearing held in accordance with Section
19 11500, et seq. of the Government Code if payment is
20 not timely made as provided for herein, or as
21 provided for in a subsequent agreement between
22 Respondent and the Commissioner. The suspension
23 shall remain in effect until payment is made in full
24 or until Respondent enters into an agreement
25 satisfactory to the Commissioner to provide for
26 payment, or until a decision providing otherwise is
27 ///



1 adopted following a hearing held pursuant to this
2 condition.

4 DATED: November 30, 1999

Tuan Van Lai
TUAN VAN LAI, ESQ.
Counsel for Complainant

* * * *

7 I have read the Stipulation and Agreement. Its terms
8 are understood by me and are agreeable and acceptable to me. I
9 understand that I am waiving rights given to me by the California
10 Administrative Procedure Act (including but not limited to
11 Sections 11506, 11508, 11509 and 11513 of the Government Code),
12 and I willingly, intelligently and voluntarily waive those
13 rights, including the right of requiring the Commissioner to
14 prove the allegations in the Accusation at a hearing at which I
15 would have the right to cross-examine witnesses against me and to
16 present evidence in defense and mitigation of the charges.

19 DATED: 11-19-99

Johann Hannes Steinlechner
JOHANN HANNES STEINLECHNER
Respondent

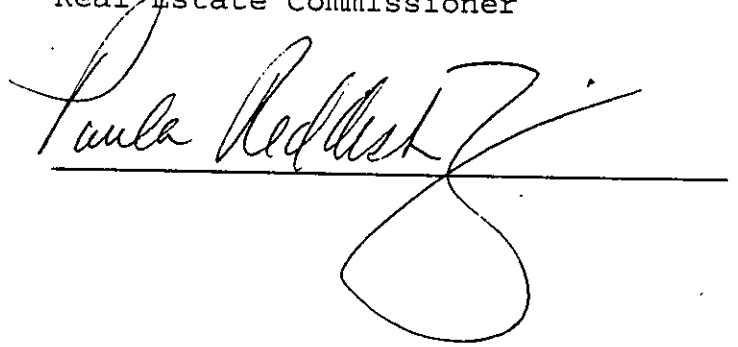
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The foregoing Stipulation and Agreement is hereby
adopted as my Decision in this matter and shall become effective
at 12 o'clock noon on February 8, 2000.

IT IS SO ORDERED December 20, 1999.

PAULA REDDISH ZINNEBANN
Real Estate Commissioner

A handwritten signature in dark ink, appearing to read "Paula Reddish Zinnemann", is written over a horizontal line. The signature is stylized with a large, looping flourish at the end.

SACD.
Plan

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

FILED
SEP 28 1999
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of)
)
JOHANN HANNES STEINLECHNER,)
etc.,)
)
Respondent.)

Case No. H-28193
OAH No. L-1999090072

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at Office of Administrative Hearings, 320 West Fourth Street, Suite 630, Los Angeles, California, on November 17, 1999, 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 on you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of the 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: September 28, 1999.

cc: Johann Hannes Steinlechner
L. A. Audit Section
Eric N. Goff
Sacto.
OAH

DEPARTMENT OF REAL ESTATE

By: Tuan Van Lai
TUAN VAN LAI, Counsel

SACED
Flag

FILED
JUL 15 1999
DEPARTMENT OF REAL ESTATE
By *[Signature]*

1 TUAN VAN LAI, Counsel (182967)
2 Department of Real Estate
3 320 West Fourth Street, Suite 350
4 Los Angeles, California 90013-1105
5
6
7 Telephone: (213) 576-6982
8 -or- (213) 576-6916 (Direct)

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

11 In the Matter of the Accusation of)	No. H-28193 LA
12 JOHANN HANNES STEINLECHNER,)	<u>A C C U S A T I O N</u>
13 doing business as American)	
14 Neighborhood Real Estate)	
15 Scout Association, American)	
16 Neighborhood Real Estate Scout,)	
17 and Rocklechner International)	
18 Real Estate,)	
19 Respondent.)	

18 The Complainant, Thomas McCrady, a Deputy Real Estate
19 Commissioner of the State of California, for cause of accusation
20 against JOHANN HANNES STEINLECHNER, doing business as Neighborhood
21 Real Estate Scout Association, American Neighborhood Real Estate
22 Scout, and Rocklechner International Real Estate, is informed and
23 alleges in his official capacity as follows:

1.

25 JOHANN HANNES STEINLECHNER, doing business as
26 Neighborhood Real Estate Scout Association, American Neighborhood
27 Real Estate Scout, and Rocklechner International Real Estate

1 (hereinafter "Respondent"), is presently licensed and have license
2 rights under the Real Estate Law, Part 1 of Division 4 of the
3 Business and Professions Code (hereinafter "Code").

4 2.

5 At all times material herein, Respondent was and still is
6 licensed by the Department of Real Estate of the State of
7 California ("Department") as a real estate broker.

8 3.

9 All further reference to "Respondent", unless otherwise
10 specified, include the party identified in Paragraph 1 and also
11 include the employees, agents and real estate licensees employed by
12 or associated with said party and who at all times herein mentioned
13 were engaged in the furtherance of the business or operations of
14 said party and who were acting within the course and scope of their
15 authority and employment.

16 4.

17 At all times material herein, Respondent engaged in the
18 business of, acted in the capacity of, advertised or assumed to act
19 as a real estate broker for others in the State of California,
20 within the meaning of Code Section 10131(b), for or in expectation
21 of compensation. Said activity included the operation and conduct
22 of a property management business with the public wherein
23 Respondent leased or rented or offered to lease or rent, or placed
24 for rent, or solicited listings of places for rent, or solicited
25 for prospective tenants, or negotiated the sale, purchase or
26 exchange of leases on real property, or on a business opportunity,
27 or collected rents from real property, or improvements thereon, or



1 from business opportunities.

2 5.

3 In connection with the real estate broker activities
4 described in Paragraph 4 above, Respondent accepted or received
5 funds including funds in trust (hereinafter "trust funds") from or
6 on behalf of actual and prospective landlords and/or tenants and
7 thereafter made deposits and/or disbursements of such funds. From
8 time to time herein mentioned, said trust funds were deposited
9 and/or maintained by Respondent in bank accounts including, but not
10 necessarily limited to, Account No. 09507-02665 known as the
11 "Johannes Steinlechner DBA: Rocklechner International Real Estate"
12 account (hereinafter "Rocklechner Account") at Bank of America,
13 located at 588 South Palm Canyon Drive, Palm Springs, California.

14 6.

15 On April 26, 1999, the Department concluded its
16 examination of Respondent's books and records pertaining to the
17 property management activities described in Paragraphs 4 through 5,
18 above, for the period of December 19, 1996, to November 16, 1998.
19 The examination revealed violations of the Code and of Title 10,
20 Chapter 6, California Code of Regulations (hereinafter
21 "Regulations"), as set forth below.

22 7.

23 Respondent acted in violation of the Code and the
24 Regulations in that:

25 (a) Respondent failed to maintain control records for
26 the Rocklechner Account, in violation of Code Section 10145 and
27 Regulation 2831;



1 (b) Respondent failed to maintain separate beneficiary
2 records for the Rocklechner Account, in violation of Section
3 2831.1;

4 (c) Respondent failed to maintain a monthly
5 reconciliation of records described in Regulations 2831 and 2831.1,
6 in violation of Regulation 2831.2;

7 (d) Respondent failed to designate the Rocklechner
8 Account as a trust fund account, in violation of Regulation 2832;

9 (e) Respondent failed to specifically authorize in
10 writing a salesperson licensed to Respondent to be a signatory on
11 the Rocklechner Account, in violation of Regulation 2834;

12 (f) Respondent failed to retain records, including
13 deposit receipts, invoices, and management agreements, in violation
14 of Code Section 10148; and

15 (g) Respondent failed to have a written agreement with a
16 licensed employee, in violation of Regulation 2726.

17 8.

18 The conduct, acts and omissions of Respondent as
19 described in Paragraph 7 constitute cause for the suspension or
20 revocation of all real estate licenses and license rights of
21 Respondent under the provisions of Code Section 10177(d).

22 /
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27 /



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 all
4 licenses and/or license rights of Respondent JOHANN HANNES
5 STEINLECHNER, doing business as American Neighborhood Real Estate
6 Scout Association, American Neighborhood Real Estate Scout, and
7 Rocklechner International Real Estate, under the Real Estate Law
8 (Part 1 of Division 4 of the Business and Professions Code) and for
9 such other and further relief as may be proper under other
10 applicable provisions of law.

11 Dated at Los Angeles, California
12 this 15th day of July, 1999.

13
14 THOMAS McCRADY
15 Deputy Real Estate Commissioner
16
17
18
19
20
21
22
23
24

25 cc: Johann Hannes Steinlechner
26 Thomas McCrady
27 Sacto.
 CGT

