

FILED
JUN -8 2005
DEPARTMENT OF REAL ESTATE
[Signature]

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of	)	No. H-31271 LA
	)	
HARVEST ASSET MANAGEMENT, INC.,	)	L-2004110499
and STEPHAN HAAH, individually	)	
and as designated officer of	)	
Harvest Asset Management, Inc.,	)	
	)	
Respondents.	)	

DECISION

The Proposed Decision dated May 4, 2005, 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.

Pursuant to Section 11517(b)(3) of the Government Code of the State of California, the Proposed Decision at page 2, Legal Conclusions, paragraph 1, line 4, "subdivisions (b), (g), and/or (j)" is amended to read "subdivisions (d), (g), and/or (j)."

This Decision shall become effective at 12 o'clock noon on June 28, 2005.

IT IS SO ORDERED 6-7, 2005.

JEFF DAVI
Real Estate Commissioner

[Signature]

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

HARVEST ASSET MANAGEMENT, Inc.,
and STEPHAN HAAH, individually and as
designated officer of Harvest Asset
Management, Inc.,

Respondents.

Case No. H-31271 LA

OAH No. L2004110499

PROPOSED DECISION

Administrative Law Judge Michael A. Scarlett, Office of Administrative Hearings, State of California, heard this matter in Los Angeles, California on April 5, 2005.

James R. Peel, Staff Counsel, represented Complainant Janice A. Waddell, Deputy Real Estate Commissioner.

Stephan Haah was present at hearing and represented himself individually and as designated officer of Harvest Asset Management, Inc. (hereinafter Respondents).

Oral and documentary evidence was received and the matter was submitted on April 5, 2005.

FACTUAL FINDINGS

1. Janice A. Waddell (Complainant) made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California.

2. Respondent Haah was originally licensed by the Department of Real Estate (Department) as a real estate salesperson on February 24, 1984, and as a real estate broker on September 24, 1994, License No. 00861256. Respondent Haah's salesperson license expired on February 23, 1988. Respondent Haah's broker license expired on September 19, 2002, and was renewed by the Department on May 12, 2003. Respondent Haah's real estate broker license will expire on May 11, 2007, unless renewed. Harvest Asset Management, Inc.'s corporation license was originally issued on June 10, 1998, with Respondent Haah as the designated officer. On June 9, 2002, the corporation license expired and was renewed by the

Department on August 15, 2003, with Respondent Haah as designated officer. The corporation license will expire on August 14, 2007, unless renewed.

3. At all material times herein, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California, within the meaning of Business and Professions Code section 10131, subdivision (b), including operation and conduct of a property management business with the public wherein Respondents on behalf of others, in expectation of compensation, solicited owners and renters, and collected rents from real properties, including the Arcadia Shopping Center, Rowland Heights Plaza, and Van Buren Plaza.

4. From June 10, 2002, until August 15, 2003, during the time Respondents' licenses were expired, Respondents engaged in activities described in Paragraph 3 above, which required a real estate license.

5. Respondent Haah is the president, director, and secretary of Harvest Asset Management, Inc. and 100% owner of the company. At hearing, Respondent Haah admitted that he operated Harvest Asset Management, Inc. during a period when his real estate licenses were expired as alleged in the Accusation. He stated he was negligent in allowing his licenses to expire, and as soon as he realized the licenses had expired, he filed his renewal applications with the Department and had the licenses renewed.

6. Respondents are currently operating the property management business and are still managing Arcadia Shopping Center and Rowland Heights Plaza. Van Buren Plaza was sold and is no longer being managed by Respondents. Respondent Haah intends to terminate the property management business towards the end of 2005, and will start a real estate development business at that time.

7. Respondent Haah has been licensed by the Department for over 20 years and has not incurred any other disciplinary action against his licenses for misconduct. Respondent Haah is very involved in the Korean community and the Community Redevelopment Agency. He honestly testified that allowing his licenses to expire was a negligent oversight, which he corrected as soon as it became known to him.

8. There is sufficient evidence to conclude that Respondents would not pose a significant risk of injury to the public health and safety if they are allowed to retain properly restricted real estate broker and corporation licenses.

LEGAL CONCLUSIONS

1. Cause exists to discipline Respondent Stephan Haah's real estate broker individually, and Respondent Harvest Asset Management, Inc. corporation license, with Respondent Haah as designated officer, pursuant to Business and Professions Code section 10177, subdivisions (b), (g), and/or (j), in that they engaged in activities requiring a real estate license while their licenses were expired, by reason of Factual Findings 3 and 4.

2. Respondent Haah established that the public's interest would not be placed in significant risk of harm or injury if he is allowed to retain properly restricted broker license, by reason of Factual Findings 5 through 8.

3. California Code of Regulations, title 10, Ch.6, Art. 18.7, section 18 provides that:

[W]hen a Respondent is found to have been compensated for performing acts requiring a real estate license without having a license or when his or her real estate license was suspended, revoked or expired, the penalty shall include a suspension of the license with the right to pay a monetary penalty to stay all or a portion of the suspension. The length of the suspension shall be based on the aggregate amount of compensation paid during the period of nonlicensure measured by one (1) day of suspension for each one hundred dollars (\$100) of compensation received up to a maximum of \$10,000.00.)

Although Respondents were found to have performed acts requiring a real estate license during the period their licenses were expired, the evidence did not establish with any level of specificity the amount of compensation Respondents received for the performance of these acts. Thus, an order of suspension and the right to pay a monetary penalty to stay the suspension could not be made in this case.

ORDER

All licenses and licensing rights of Respondent Stephan Haah, License No. 00861256, individually, and Respondent Harvest Asset Management, Inc., Corporation License No. 01239724, with Respondent Stephan Haah as designated officer, under the Real Estate Law are revoked; provided, however, a restricted real estate broker license and corporation license shall be issued to Respondents pursuant to Section 10156.5 of the Business and Professions Code if Respondents makes application therefor and pays to the Department of Real Estate the appropriate fee for the restricted licenses within 90 days from the effective date of this Decision. The restricted licenses issued to Respondents 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:

1. The restricted licenses issued to Respondents may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of Respondents' conviction or plea of nolo contendere to a crime which is substantially related to Respondents' fitness or capacity as real estate licensees.

2. The restricted license issued to Respondents may be suspended prior to hearing by

Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that Respondents have 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.

3. Respondents 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 two years have elapsed from the effective date of this Decision.

4. Respondents shall, within nine months from the effective date of this Decision, present evidence satisfactory to the Real Estate Commissioner that Respondents have, 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 Respondents fail to satisfy this condition, the Commissioner may order the suspension of the restricted license until the Respondent presents such evidence. The Commissioner shall afford Respondents the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

5. Respondents 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 Respondents' 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 Respondents and periodic summaries of salient information concerning each real estate transaction in which the Respondents engaged during the period covered by the report.

DATED: May 4, 2005

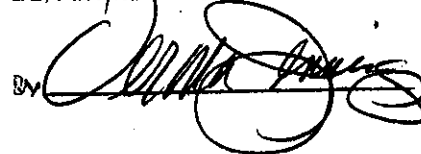

MICHAEL A. SCARLETT
Administrative Law Judge
Office of Administrative Hearings

5/20/04
1 JAMES R. PEEL, Counsel (SBN 47055)
2 Department of Real Estate
3 320 West Fourth Street, Ste. 350
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6982
6 -or- (213) 576-6913 (Direct)
7

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SEP - 2 2004

DEPARTMENT OF REAL ESTATE

By 

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No. H-31271 LA
12 HARVEST ASSET MANAGEMENT, INC.,)
13 and STEPHAN HAAH, individually) A C C U S A T I O N
14 and as designated officer of)
15 Harvest Asset Management, Inc.,)
Respondents.)

16 The Complainant, Janice A. Waddell, a Deputy Real
17 Estate Commissioner of the State of California, for cause of
18 accusation against HARVEST ASSET MANAGEMENT, INC., and STEPHAN
19 HAAH, individually and as designated officer of Harvest Asset
20 Management, Inc., alleges as follows:

21 I

22 The Complainant, Janice A. Waddell, acting in her
23 official capacity as a Deputy Real Estate Commissioner of the
24 State of California, makes this Accusation against HARVEST ASSET
25 MANAGEMENT, INC., and STEPHAN HAAH, individually and as
26 designated officer of Harvest Asset Management, Inc.

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1 II

2 HARVEST ASSET MANAGEMENT, INC., and STEPHAN HAAH,
3 individually and as designated officer of Harvest Asset
4 Management, Inc. (hereinafter referred to as "Respondents"), are
5 presently licensed and/or have license rights under the Real
6 Estate Law (Part 1 of Division 4 of the Business and Professions
7 Code, hereinafter "Code").

8 III

9 Respondent HARVEST ASSET MANAGEMENT, INC., was licensed
10 as a real estate broker from June 10, 1998, to June 9, 2002, when
11 the license expired with Respondent STEPHAN HAAH as its
12 designated broker-officer. On August 15, 2003, the license was
13 renewed and will expire August 14, 2007.

14 IV

15 At all times material herein, Respondents engaged in
16 the business of, acted in the capacity of, advertised or assumed
17 to act as a real estate broker in the State of California, within
18 the meaning of Section 10131(b) of the Code, including the
19 operation and conduct of a property management business with the
20 public wherein Respondents on behalf of others, in expectation of
21 compensation, solicited owners and renters, and collected rents
22 from real properties, including the Arcadia Shopping Center,
23 Rowland Heights Plaza and Van Buren Plaza.

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V

Respondents violated Section 10130 of the Code in that during the time their licenses were expired, June 10, 2002, through August 15, 2003, Respondents engaged in activities requiring a real estate license. These activities are described in Paragraph IV above.

VI

The conduct of Respondents, as alleged above, was in violation of Section 10130 and subjects their real estate licenses and license rights to suspension or revocation pursuant to Code Sections 10177(d), 10177(g) and/or 10177(j).

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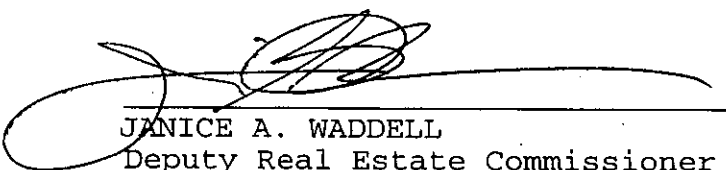
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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all licenses and license rights of Respondents
5 HARVEST ASSET MANAGEMENT, INC., and STEPHAN HAAH, individually
6 and as designated officer of Harvest Asset 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
9 may be proper under other applicable provisions of law.

10 Dated at Los Angeles, California,
11 this 2 day of September, 2004.

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15 
16 JANICE A. WADDELL
17 Deputy Real Estate Commissioner
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23 cc: Harvest Asset Management, Inc.
24 Stephan Haah
25 Janice A. Waddell
26 Audit Section
27 Auditor Milad Farag
Sacto.
KA