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BEFORE THE DEPARTMENT OF REAL ESTATE

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

Y: (/

In the Matter of the Application of

KIMBERLY PEARSON,

No. H-35403 LA

L-2008120260

Respondent.

DECISION

The Proposed Decision dated February 25, 2009, 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(c)(2) of the Government Code, the following changes are made to the Proposed Decision:

Conditions "1" and "2" of the Order are not adopted and shall not be a part of the Decision.

The application for a real estate salesperson license is denied, but the right to a restricted real estate salesperson is granted to respondent. There is no statutory restriction on when a new application may be made for an unrestricted license. Petition for the removal of restrictions from a restricted license is controlled by Section 11522 of the Government Code. A copy of Section 11522 is attached hereto for the information of respondent.

If and when application is made for a real estate salesperson license through a new application or through a petition for removal of restrictions, all competent evidence of rehabilitation presented by the respondent will be considered by the Real Estate Commissioner. A copy of the Commissioner's <u>Criteria of Rehabilitation</u> is attached hereto.

This Decision shall become effective at 12 o'clock noon on April 14, 2009

IT IS SO ORDERED

3.24-09

JEFF DAVI Real Estate Commissioner

BEFORE THE DEPARTMENT OF REAL ESTATE STATE OF CALIFORNIA

In the Matter of the Application of

KIMBERLY PEARSON,

No. H-35403 LA

OAH No. 2008120260

Respondent.

PROPOSED DECISION

On January 30, 2009, in Los Angeles, California, Perry O. Johnson, Administrative Law Judge, Office of Administrative Hearings, State of California (OAH), heard this matter.

Julie L. To, Counsel, represented Complainant Maria Suarez.

Edward O. Lear, Attorney at Law, Century Law Group LLP, 5200 W. Century Boulevard, Suite 345, Los Angeles, California 90045, represented Respondent Kimberly Pearson, who appeared at the hearing of this matter.

On January 30, 2009, the parties submitted the matter and the record closed.

FACTUAL FINDINGS

- 1. On October 17, 2008, Complainant Maria Suarez (Complainant), in her official capacity as a Deputy Real Estate Commissioner of the State of California, made the statement of issues against Respondent Kimberly Pearson (Respondent).
- 2. On November 16, 2007, the Department of Real Estate received Respondent's application for a real estate salesperson license. On November 12, 2007, Respondent signed the application for licensure.

The application remains pending as the Department has refused to issue a license to Respondent due to her past acts and omissions that appear to disqualify her for licensure.

False and Misleading Data in Application for Licensure

3. On November 12, 2007, under penalty of perjury that all answers and statements given by her were true and correct, Respondent signed an application for licensure as a real estate salesperson.

4. In response to item number 25 on the application for licensure as a real estate salesperson, Respondent answered "no" to the question, "Have your ever been convicted of any violation of law?" Under item 27 on the application, Respondent provided no information regarding the record of her conviction on a date in the past. Respondent failed to disclose the record of the conviction as detailed herein in Factual Findings 6, 9 and 10.

By Respondent's failure to provide the Department with the true record of her conviction, she presented the Department with incorrect and false or misleading information regarding her history of a criminal conviction.

5. Respondent's failure to disclose on the Department's application for license the fact of the conviction she received in July 1977 indicates that Respondent attempted to procure a real estate license by fraud, misrepresentation, or deceit, or that she made a material misstatement of fact in the application.

Record of a Criminal Conviction

a. July 1977- Petty Theft Conviction

- 6. On July 12, 1977, in case number M65995, the California Municipal Court for the County of San Bernardino convicted Respondent, under the name of "Kimberly Heather McGreal," of violating Penal Code section 488 (petty theft), a misdemeanor.
- 7. The crime of petty theft is substantially related to the qualifications, functions and duties of a real estate licensee.
 - 8. The crime of petty theft involves moral turpitude.
- 9. The facts and circumstances of Respondent's misconduct that led to the July 1977 conviction occurred on July 3, 1977. On that date in early July 1977, Respondent entered a Fed-Mart, Inc., store. A store agent apprehended Respondent because store merchandise in the form of cosmetics, which had not been purchased, was in Respondent's possession after she had exited the store.
- 10. As a consequence of the conviction, the municipal court suspended the imposition of sentence and placed Respondent on summary probation for a period of 12 months. Under the terms and conditions of probation, the court required Respondent to pay fines and fees of \$65.

Matters in Mitigation and Respondent's Background

11. Respondent is 52 years old as her date of birth is October 3, 1956.

12. When Respondent committed the act of petty theft in 1977, she was 20 years old. Following the subject conviction, Respondent has not been convicted of any criminal offense over the past nearly 32 years.

13. At the time of the offense, Respondent had had a long-term stressful relationship with a stepmother who was a strict disciplinarian and abusive individual.

At the hearing of this matter, Respondent poignantly represented that the turmoil of her relationship with her stepmother and the psychic pain from the time of her youth led her to develop certain emotional defense mechanisms, which including forgetting past bad experiences.

- 14. At the time of her offense that occurred in early July 1977, Respondent only told her then boyfriend, Stephen Scot Myers, about her arrest. But she did not tell him about the results of the court proceeding. Later, after Respondent married Mr. Myers in late 1977 she never discussed with him the petty theft conviction, even though the marriage lasted about six years after the date of the wedding.
- 15. For the past 21 years, Respondent has been married to her current husband, General Raymond Pearson. Until the date Respondent received the Statement of Issues as filed and served in October 2008, Respondent had never discussed the petty theft arrest and conviction with Mr. Pearson.
- 16. Respondent attended the University of San Diego, but she did not earn a degree. In 1976, she completed training as a dental assistant and then she worked as a dental assistant for about five years. During that period of schooling she acquired a "radiology certification." In the early 1980s, Respondent was hired as dental office manager for a business that included three dentists and about 14 employees. She worked as a dental office manager "for many years."
- 17. Respondent has three children, who have ages of 27 years, 21 years and 19 years.

Matters That Tend to Not Support Respondent's Position that She Did Not Make a Material Misrepresentation of Fact in Filing the Application for Licensure

18. At the hearing of this matter, Respondent's representations were not credible that she failed to disclose the fact of the conviction because after she first read the application's question 25, she "totally forgot" about the petty theft criminal conviction in her past.

At the hearing of this matter, Respondent was not credible that her traumatic experiences that she supposedly suffered before, and immediately after the time of, the date of the conviction fostered in her an ability to block out from her memory those matters that

were stressful or unpleasant. Her claims of having "totally forgotten" the memory of the conviction were not persuasive for several reasons.

First, she offered no expert witness testimony to posit views regarding currently accepted theories in psychiatric medicine on suppressed memory or the matter of Respondent's particular plight of having such emotional or psychological maladies as to have resulted in the partial erasure or loss of her memory of the July 1977 arrest and conviction. (Respondent did provide a letter from a Marriage and Family Therapist, Ken Olson, M.A.; but, his letter did not set out a description of any education, training, or experience that made him an expert in the diagnosis or treatment of psychological conditions related to "blocked memories." And Respondent presented the letter of a personal friend, Richard M. Powell, who is a medical doctor; but, his letter did not indicate that his medical practice involves psychiatric disorders that would lead to suppressed memories.)

Second, at the hearing Respondent embarked on portraying her youth as being one of deprivation. Yet, correspondence that she offered from character witnesses suggests that she was the daughter of a prominent dentist in the Inland Empire region of California.

Most importantly, at the hearing of this matter, Respondent gave details of her arrest and her appearance in a municipal court proceeding that suggest that she has a vivid memory of her acts and omissions that resulted in the conviction for petty theft in July 1977. Among other things, Respondent recalled her conversation with the store agent who effected a citizen's arrest and that the man then made an advance on her by asking for her personal telephone number. Respondent remembered that the store agent searched her handbag and found a cosmetic item for which Respondent had not paid the purchase price. Respondent recalled that she was escorted to a "little office in the back" and that her cart held things she had actually purchased but that the store "had to hold" the purchased goods until after her arrest was processed. Respondent remembered that she wept in the presence of the local police officer and she asked the officer whether she had to be handcuffed or be placed in the back seat of the police patrol car. Respondent noted at the hearing of this matter that the police officer allowed her to sit in the front seat along side the arresting police officer and that the drive to the police station was very short because the station was "cattycorner" to the store where the theft occurred. Respondent remembered that she telephoned her fiancé who picked her up from the police station. Respondent recalled that "a couple days" after the arrest she returned to the store to retrieve her purchased items that were being held by the store. Respondent remembered that about 10 days after the arrest, she went to a court proceeding to enter a plea of guilty. Her plea was quickly made by her because she did not wish her grandmother, with whom she lived, to learn about the petty theft arrest.

Matters that Negatively Impact Upon Respondent's Progress towards Rehabilitation

19. Respondent provided no proof that she has filed any petitions under Penal Code section 1203.4 with the Superior Court in San Bernardino County that entered the conviction against her in 1977. Thus no evidence shows that the conviction record has been expunged.

20. Respondent did not show proof that she has significant and conscientious involvement in community, church or privately-sponsored programs designed to provide social benefits or to ameliorate social problems.

Matters in Rehabilitation

- 21. Respondent's sole conviction occurred more than 31 years ago.
- 22. At the hearing of this matter Respondent was compelling in expressing remorse for her past act of petty theft, even though she claims that she has no recollection of actually stealing store merchandise.
- 23. Currently, Respondent works in the dental office, which is owned by her husband. She devotes about 10 hours to 15 hours each week in that work, which includes providing services as a dental assistant, engaging in bookkeeping or performing general administrative functions.
 - 24. Respondent called seven witnesses to the hearing of this matter.
- a. Mr. Steve Scot Myers has been a licensed real estate salesperson since about 1982. He engages in real estate sales in his capacity as a Department licensee.
- Mr. Myers was married to Respondent for about five or six years. Mr. Myers and Respondent have maintained social contact over the years.

In 1977 Mr. Myers knew that Respondent had a conviction for petty theft, but he had viewed the court proceeding to have been similar to a traffic-offense type conviction. He recalls that after her arrest on July 3, 1977, Respondent did not wish to converse about the conviction, rather she expressed that she would deal with the matter. During the course of his marriage, Respondent never mentioned the conviction. Over the years, Mr. Myers forgot about the conviction.

When the Department refused to grant Respondent a real estate salesperson license, Mr. Myers was shocked as he views her to be an honest person of high integrity and good moral character. Mr. Myers does not believe that the public, the real estate industry or the State of California will be harmed with Respondent holding an unrestricted real estate salesperson license. But Mr. Myers noted his appreciation of the rules and regulations that require full disclosure of important information by licensees regarding real estate transactions and in dealing with the Department.

b. General Ryan Pearson, D.D.S., is a cosmetic and general dentist.

Dr. Pearson has been married to Respondent for 21 years. Respondent works in the dental office of Dr. Pearson.

Only in the "relative near past" has Dr. Pearson learned about the 1977 conviction sustained by Respondent. Over the two decades of their marriage, Respondent never gave any hint of having a conviction in her past. Dr. Pearson learned during the course of his marriage to her that Respondent during her early life suffered major emotional trauma.

Dr. Pearson views Respondent as being an honest individual with high integrity and good moral character. He endorses Respondent to be a good real estate professional and that she would be an asset to the industry.

Dr. Pearson knows Respondent to be a person who has volunteered countless hours in providing care to elderly people, including his parents who are now deceased, Respondent's grandmother and father. Currently Respondent is lending care and aid to her brother who has a diagnosis of a terminal disease.

c. Mr. Austin Myers is Respondent's 21-year-old son.

Mr. Myers first learned about Respondent's 1977 conviction about "two weeks after" Respondent learned about the Department's denial. (Such date would have been in late 2008.) Mr. Myers notes that his mother has been a very caring individual who has devoted time for the benefit of many people including several elderly individuals. Mr. Myers heard his mother express her shame regarding having forgotten the circumstances of the 1977 conviction.

Mr. Myers expressed an uncompromising endorsement for the licensure of Respondent.

d. Ms. Ashley Pearson is Respondent's daughter.

Ms. Pearson only learned about Respondent's conviction last year when the Department had denied her licensure as a real estate salesperson. Ms. Pearson expressed her understanding of Respondent's character to be one of high integrity and honesty. Ms. Pearson inferred from her knowledge of her mother's character that her failure to disclose the conviction was due to her lapse of memory.

e. Ms. Karen R. Powell is a teacher for the Los Angeles Unified School District.

Ms. Powell and Respondent have been friends since their freshman year at University of San Diego.

Ms. Powell learned about Respondent's 1977 conviction in March 2008. When Respondent informed Ms. Powell about the impediment to the Department issuing her a real estate salesperson license, Respondent was embarrassed and upset. Mr. Powell views Respondent as being an honest person who forgot about the conviction.

Ms. Powell strongly supports Respondent's application for an unrestricted license.

f. Ms. Emily Rhodes has known Respondent for several years because her mother and Respondent have been very good friends for many years.

Ms. Rhodes learned about Respondent's conviction only "a couple of weeks ago." Ms. Rhodes holds Respondent in great regard. Ms. Rhodes notes Respondent to be very honest. Even though she is 22 years old, Ms. Rhodes knows of no character defect of Respondent that would adversely affect Respondent's ability to work as a real estate salesperson.

g. Mr. Timothy Wagner has been a real estate licensee for "a little over one year." He sells residential real estate in the San Bernardino area.

Over about 25 years, Mr. Wagner had known Respondent. Currently, Mr. Wagner rents a room in Respondent's house.

In late 2007 Respondent and Mr. Wagner filed respective applications for licensure. At the time of completing the applications, Mr. Wagner and Respondent talked about the application's question about having a record of a criminal conviction. Respondent teased Mr. Wagner about having a conviction record when he explained that in his youth he had received a conviction for a misdemeanor. After he received his license, Respondent was surprised that the Department had not issued a license to her. On a particular day as Respondent and he engaged in making a bed, when they struggled with the reasons for her non-licensure, Mr. Wagner asked Respondent: "Have you ever stood in front of a judge?" Mr. Wagner observed "blood drain from her face" as Respondent exclaimed "Oh my God" and remained unable to talk for several seconds. He viewed the incident of Respondent's epiphany as indicating that she had "completely forgotten" her 1977 conviction.

Mr. Wagner views Respondent as an honest individual who seems eligible to hold an unrestricted real estate license.

25. Respondent has the respect and admiration of many individuals. She offered 19 letters, which were received to supplement and explain Respondent's testimony.

A letter, dated January 21, 2009, by Virginia S. Rhodes of Upland, California; a letter, dated January 19, 2009, by Carole A. Garland of Rancho Cucamonga; a letter, dated January 21, 2009, by Ruth E. Rhodes of Upland; a letter, dated January 26, 2009, by Lori Bright, Manager for Century 21, Beachside of Upland, California; a letter, dated January 26, 2009, by Ken Olson, M.A., Marriage and Family Therapist; a letter, dated January 26, 2009, by Patricia Hermosillo; a letter, undated, by Robert A. Bejlovec of Homer Glen, Illinois; a letter, undated, by Della R. Bejlovec of Homer Glen, Illinois; a letter, dated January 27, 2009, by Hillary Zinniker; a letter, dated January 23, 2009, by Robin Myers; a letter, dated January 25, 2009, by Darla Carr; a letter, dated January 29, 2009, by Lisa M. Van Lund; an e-mail message, dated January 27, 2009, by Tina Buechner of Peyton, Colorado; an e-mail message dated January 29, 2009, by Bruce Rhodes; a letter, dated January 29, 2009, by Susan McGreal; a letter, dated January 19, 2008, by Bruce Rhodes; a letter, dated January 25, 2009, Austin J. McGreal of Upland,

26. Respondent has the prospects of employment with a real estate broker's office. A letter from the manager of the Century 21 Beachside Realtors of Upland conveys that the letter's author looks forward to Respondent joining his company "and specifically [the] office in Upland as a . . . sales associate."

Other Matters

27. Respondent has a keen interest in becoming a real estate professional.

Her ulterior motive is to gain a career that will allow her the flexibility to spend time with her 61-year-old brother who has a blood-oriented cancer disorder.

- 28. Respondent poignantly described an incident that supposedly awakened the memory of the 1977 conviction. Respondent noted that well before the date of the statement of issues was filed and served on her and that after the passage of a considerable amount of time since the date she filed the application for licensure, she was puzzled by the non-issuance of the license so that she conversed, rationalized and questioned many individuals about the Department's inaction on the application. On one occasion when she talked with someone about her predicament, she and the man, who rented a room from her, were making a bed when the man asked "Have you ever stood before a judge?" That question, according to Respondent, brought about a flashback of immense significance that she proclaimed "Oh, my God," and went prostrate with the memories of the events from 1977. Though dramatic, Respondent's account of her childhood stress does not take away from the fact that she made a material misrepresentation of fact on the application for licensure.
- 29. Under cross-examination, Respondent acknowledged that she has never received psychiatric treatment or psychotherapy for either the emotional stress of her childhood or a memory loss disorder. She noted that during treatment with two or three different marriage counselors she personally set parameters with the therapists of only seeking to explore the marriage problems and prohibited the therapists from asking about her youth because she was "not that little girl anymore."

California; a letter, dated December 11, 2008, by Richard M. Powell, M.D.; a letter, dated December 11, 2008, by Karen Powell of Manhattan Beach, California.

² This type of documentary evidence, as accepted under Government Code section 11513, subdivision (d), is called "administrative hearsay," and it is received to supplement and explain other evidence, but in the wake of an objection to such documentary evidence, standing alone, the documents are not sufficient for such writings to support factual findings.

Ultimate Finding

30. The weight of the evidence indicates that it would not be against the public interest for the Department to issue Respondent a real estate salesperson's license on a restricted basis.

LEGAL CONCLUSIONS

1. Business and Professions Code section 480, subdivision (c), provides that the Department may deny a license on the ground that "the applicant knowingly made a false statement of fact required to be revealed in the application for such license."

Business and Professions Code section 10177, subdivision (a), establishes that the Department may deny the issuance of a license to an applicant who has "procured, or attempted to procure, a real estate license . . . by fraud, misrepresentation or deceit, or by making any material misstatement of fact in an application for a real estate license. . . ."

Cause to deny Respondent's application for licensure as a real estate salesperson exists under Business and Professions Code sections 480, subdivision (c), and 10177 subdivision (a), by reason of the matters set forth in Factual Findings 3 through 5 and 18.

2. Business and Professions Code section 480, subdivision (a), provides that the Department may deny a license on the ground that the applicant has "been convicted of a crime. . . (that). . . is substantially related to the qualifications, functions or duties of the business . . . for which (an) application is made."

However, under the holding of *Petropoulos v. Department of Real Estate* (2006) 142 Cal.App.4th 554, Business and Professions Code section 480, subdivision (a), does not serve as a distinct basis to determine cause to deny Respondent's application for licensure as a real estate salesperson.

3. Business and Professions Code section 10177, subdivision (b), establishes that the Department may deny the issuance of a license to an applicant who has "been convicted of . . . a crime involving moral turpitude."

Cause to deny Respondent's application for licensure as a real estate salesperson exists under Business and Professions Code section 10177, subdivision (b), together with section 480 subdivision (a), by reason of the matters set forth in Factual Findings 6 through 8.

4. Pursuant to the guidelines of California Code of Regulations, title 10, section 2911, Respondent has successfully attained a majority of the criteria for rehabilitation from the criminal conviction, by reason of Factual Findings 11 through 17 and 21 through 26. But, Respondent's false statement on the application for licensure, in the form of a failure to disclose a conviction for petty theft, casts doubt on Respondent's conscientiousness in

completing documents as filed with the Department, which is a state government agency. Notwithstanding the claim that she has had a block upon her memory in the way of suppressing recollections of past traumatic matter, the failure to disclose the matter of the conviction exists as a material misrepresentation of fact on the Department's application.

Ordinarily proof of making an attempt to procure an application by misrepresentation, or deceit, or by making a material misstatement of fact on an application for licensure would result in outright denial of licensure, the evidence in this matter results in a determination that it would not be against the public interest to allow Respondent to hold a real estate salesperson's license on a restricted basis. Such restricted license status should run for a short span of two years.

ORDER

The application for a real estate salesperson license by Respondent Kimberly Pearson, by reason of Legal Conclusions 1 and 3, is denied; provided, however, a restricted real estate salesperson license shall be issued to Respondent pursuant to section 10156.5 of the Business and Professions Code. The restricted license issued to the 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 said Code:

1.

Respondent's restricted real estate salesperson license is issued subject to the requirements of section 10153.4 of the Business and Professions Code, to wit: Respondent shall, within eighteen (18) months of the issuance of the restricted license, submit evidence satisfactory to the Commissioner of successful completion, at an accredited institution, of a course in real estate practices and one of the courses listed in section 10153.2, other than real estate principles, advanced legal aspects of real estate, advanced real estate finance or advanced real estate appraisal. If Respondent fails to timely present to the Department satisfactory evidence of successful completion of the two required courses, the restricted license shall be automatically suspended effective eighteen (18) months after the date of its issuance. The suspension shall not be lifted unless, prior to the expiration of the restricted license, Respondent has submitted the required evidence of course completion and the Commissioner has given written notice to Respondent of lifting of the suspension.

2.

Pursuant to section 10154, if Respondent has not satisfied the requirements for an unqualified license under section 10153.4, Respondent shall not be entitled to renew the restricted license, and shall not be entitled to the issuance of another license which is subject to section 10153.4 until two years after the date of the issuance of the preceding restricted license.

3. The license shall not confer any property right in the privileges to be exercised, and the Real Estate Commissioner may by appropriate order

suspend the right to exercise any privileges granted under this restricted license in the event of:

- (a) The conviction of Respondent (including a plea of nolo contendere) of a crime which is substantially related to Respondent's fitness or capacity as a real estate licensee; or
- (b) The receipt of evidence 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 this restricted license.
- 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 attaching to the restricted license until two years have elapsed from the date of issuance of the restricted license to Respondent.
- 5. With the application for license, or with the application for transfer to a new employing broker, Respondent shall submit a statement signed by the prospective employing real estate broker on a form RE 552 (Rev. 4/88) approved by the Department of Real Estate which shall certify as follows:
 - (a) That the employing broker has read the Decision which is the basis for the issuance of the restricted license; and
 - (b) That the employing broker will carefully review all transaction documents prepared by the restricted licensee and otherwise exercise close supervision over the licensee's performance of acts for which a license is required.

DATED: February 25, 2009

PERRY O. JOHNSON

Administrative Law Judge

Office of Administrative Hearings

JULIE L. TO, Counsel (SBN 219482) Department of Real Estate 320 West 4th Street, Suite 350 Los Angeles, California 90013-1105 OCT 2 2 2008 Telephone: (213) 576-6982 (213) 576-6916 (Direct) DEPARTMENT OF REAL ESTATE 5 ٦ BEFORE THE DEPARTMENT OF REAL ESTATE 9 STATE OF CALIFORNIA. 10 11 In the Matter of the Application of) NO. H-35403 LA 12 STATEMENT OF ISSUES KIMBERLY PEARSON, 13 Respondent. 14 15 The Complainant, Maria Suarez, a Deputy Real Estate 16 Commissioner of the State of California, for Statement of Issues 17 against KIMBERLY PEARSON, a.k.a. Kimberly McGreal or Kimberly 18 Myers, ("Respondent"), is informed and alleges as follows: 19 20 The Complainant, Maria Suarez, a Deputy Real Estate 21 Commissioner of the State of California, makes this Statement of Issues against Respondent in her official capacity. 23 2. 24 On or about November 16, 2007, Respondent made

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application to the Department of Real Estate of the State of

California for a real estate salesperson license.

FIRST CAUSE FOR DENIAL

CRIMINAL CONVICTION

3.

On or about July 12, 1977, in the Superior Court of California, County of San Bernardino, in Case No. M65995, Respondent was convicted of violating California Penal Code Section 488 (petty theft), a misdemeanor. Respondent was sentenced to one day jail, twelve months probation and ordered to pay fines.

4.

Such crime involves moral turpitude and bears a substantial relationship under Section 2910, Title 10, Chapter 6, California Code of Regulations, to the qualifications, functions or duties of a real estate licensee.

5.

The crime of which Respondent was convicted, as alleged in Paragraph 3 constitutes cause for denial of Respondent's application for a real estate license under Business and Professions Code Sections 475(a)(2), 480(a), and 10177(b).

SECOND CAUSE FOR DENIAL

FAILURE TO DISCLOSE

. 6.

In response to Question 23 of her license application, to wit: "HAVE YOU EVER BEEN CONVICTED OF ANY MISDEMEANOR OR FELONY? CONVICTIONS EXPUNGED UNDER PENAL CODE SECTION 1203.4 MUST BE DISCLOSED. HOWEVER, YOU MAY OMIT MINOR TRAFFIC

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CITATIONS WHICH DO NOT CONSTITUTE A MISDEMEANOR OR FELONY OFFENSE" Respondent answered "No" and revealed no convictions. 7. Respondent's failure to reveal the conviction set forth herein, in Paragraph 3 above, in her license application, constitutes the attempt to procure a real estate license by fraud, misrepresentation, or deceit, or by making a material misstatement of fact, or knowingly making a false statement of material fact required to be revealed in said application, which is grounds for denial of the issuance of a license under Business and Professions Code Sections 475(a) (1), 480(c), and/or 10177(a). These proceedings are brought under the provisions of Section 10100, Division 4 of the Business and Professions Code of the State of California and Sections 11500 through 11528 of the California Government Code. /// /// ///

cc: KIMBERLY PEARSON Maria Suarez Sacto