







1 (b) That the employing broker will exercise close supervision over  
2 the performance by the restricted licensee relating to activities for  
3 which a real estate license is required.

4 5. Respondent shall, within nine (9) months from the effective date of this  
5 Decision and Order, present evidence satisfactory to the Commissioner that Respondent has,  
6 since the most recent issuance of an original or renewal real estate license, taken and  
7 successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the  
8 Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this  
9 condition, Respondent's real estate license shall automatically be suspended until Respondent  
10 presents evidence satisfactory to the Commissioner of having taken and successfully completed  
11 the continuing education requirements. Proof of completion of the continuing education  
12 courses must be delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013,  
13 Sacramento, CA 95813-7013.

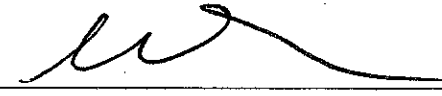
14 6. Respondent shall notify the Commissioner in writing within 72 hours of  
15 any arrest by sending a certified letter to the Commissioner at the Bureau of Real Estate,  
16 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013. The letter shall set forth the  
17 date of Respondent's arrest, the crime for which Respondent was arrested and the name and  
18 address of the arresting law enforcement agency. Respondent's failure to timely file written  
19 notice shall constitute an independent violation of the terms of the restricted license and shall  
20 be grounds for the suspension or revocation of that license.

21 7. All licenses and licensing rights of Respondent are indefinitely  
22 suspended unless or until Respondent pays the sum of \$1,556.90 for the Commissioner's  
23 reasonable cost of the investigation and enforcement which led to this disciplinary action. Said  
24 payment shall be in the form of a cashier's check made payable to the Bureau of Real Estate.  
25 The investigative and enforcement costs must be delivered to the Bureau of Real Estate,  
26 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of  
27 this Decision and Order.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

8. The restricted license issued to Respondent shall be suspended for thirty (30) days effective immediately on issuance of the restricted license.

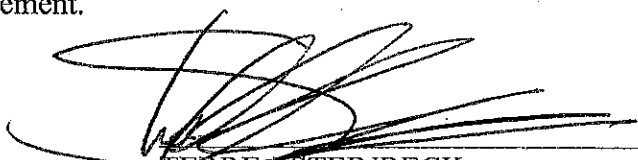
DATED: 11-13-2015

  
Steve Chu, Counsel  
Bureau of Real Estate

\*\*\*

I have read the Stipulation and Agreement. I understand that I am waiving rights given to me by the California Administrative Procedure Act, (including but not limited to Sections 11521 and 11523 of the Government Code), and I willingly, intelligently, and voluntarily waive those rights, including the right to seek reconsideration and the right to seek judicial review of the Commissioner's Decision and Order by way of a writ of mandate. I can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by me, to the Bureau at fax number (213) 576-6917. I agree, acknowledge and understand that by electronically sending to the Bureau a fax copy of my actual signature as it appears on this Stipulation and Agreement, that receipt of the faxed copy by the Bureau shall be as binding on me as if the Bureau had received the original signed Stipulation and Agreement.

DATED: 11/9/2015

  
FERRE J STEINBECK  
Respondent

///  
///  
///  
///  
///

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

\* \* \*

The foregoing Stipulation and Agreement is hereby adopted by me as my  
Decision in this matter as to Respondent TERRE J STEINBECK, and shall become effective at  
12 o'clock noon on December 30, 2015.

IT IS SO ORDERED

12/7/2015

WAYNE S. BELL  
REAL ESTATE COMMISSIONER



*S. Beato*

**FILED**

OCT 21 2015

BUREAU OF REAL ESTATE

By 

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

BEFORE THE BUREAU OF REAL ESTATE  
STATE OF CALIFORNIA

\*\*\*

In the Matter of the Accusation of	)	CalBRE No. H-39765 LA
	)	
TERRE J. STEINBECK,	)	OAH No. 2015030787
	)	
Respondent.	)	

**NOTICE**

TO: TERRE J. STEINBECK, Respondent, and SETH WEINSTEIN , his Counsel.

YOU ARE HEREBY NOTIFIED that the Proposed Decision herein dated September 23, 2015, of the Administrative Law Judge is not adopted as the Decision of the Real Estate Commissioner. A copy of the Proposed Decision dated September 23, 2015, is attached hereto for your information.


In accordance with Section 11517(c) of the Government Code of the State of California, the disposition of this case will be determined by me after consideration of the record herein including the transcript of the proceedings held on August 17, 2015, and any written argument hereafter submitted on behalf of respondent and complainant.

Written argument of respondent to be considered by me must be submitted within 15 days after receipt of the transcript of the proceedings of August 17, 2015, at the Los Angeles office of the Bureau of Real Estate unless an extension of the time is granted for good cause shown.

1                   Written argument of complainant to be considered by me must be submitted within  
2 15 days after receipt of the argument of respondent at the Los Angeles Office of the Bureau of Real  
3 Estate unless an extension of the time is granted for good cause shown.

4                   DATED: 10/16/2015.

5                   REAL ESTATE COMMISSIONER

6  
7                     
8                   \_\_\_\_\_  
9                   WAYNE S. BELL

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27



**FILED**

BEFORE THE  
BUREAU OF REAL ESTATE  
STATE OF CALIFORNIA

OCT 21 2015

BUREAU OF REAL ESTATE

By 

In the Matter of the First Amended  
Accusation Against:

TERRE J. STEINBECK,

Respondent.

Case No. H-39765 LA

OAH No. 2015030787

**PROPOSED DECISION**

This matter was heard by Vincent Nafarrete, Administrative Law Judge of the Office of Administrative Hearings, on August 17, 2015, in Los Angeles. Complainant was represented by Steve Chu, Counsel. Respondent Terre J. Steinbeck was present and represented by Seth Weinstein, Attorney at Law.

At the conclusion of the hearing, respondent's counsel requested that the record be held open to allow him to file additional letters. Complainant's counsel did not object. The Administrative Law Judge granted the request of respondent's counsel and directed that the additional letters be filed by August 27, 2015, with copies served on complainant's counsel.

On August 26, 2015, respondent's counsel filed supplemental documents as follows: Notice of Supplemental Documents and the Declaration of Terre Steinbeck dated August 18, 2015; respondent's letter or notice to the Bureau dated November 13, 2013; Declaration of John Gould; Declaration of Craig White; and Declaration of Kenneth Weston Davis; which were marked for identification as Exhibits F through J, respectively. The Administrative Law Judge hereby admits Exhibits F – J into evidence, pursuant to Government Code section 11513, subdivision (d).

Oral and documentary evidence having been received, the Administrative Law Judge submitted this matter for decision on August 26, 2015, and finds as follows:

**FACTUAL FINDINGS**

1. (A) The Administrative Law Judge takes official notice that, on February 13, 2015, the Accusation, Case Number H-39765 LA, was made and filed by Maria Suarez in her official capacity as Deputy Real Estate Commissioner, Bureau of Real Estate, State of California.

(B) The Administrative Law Judge takes further official notice that, on June 1, 2015, the First Amended Accusation, Case Number H-39765 LA, was made and filed by complainant Maria Suarez in her official capacity as Deputy Real Estate Commissioner, Bureau of Real Estate, State of California (Bureau).

2. (A) On October 11, 1994, real estate salesperson license number S011883344 and licensing rights were originally issued to Terre J. Steinbeck, also known as Terre June Steinbeck, Terre Miran Steinbeck, and Theresa Steinbeck (respondent). On July 11, 2011, respondent's license was activated in the employ of Forward Beverly Hills, Inc. of Beverly Hills. On October 7, 2001, respondent changed her employing broker to Rodeo Realty, Inc., of Beverly Hills.

(B) On October 31, 2014, respondent's real estate salesperson license lapsed or expired. On November 27, 2014, she renewed her license belatedly. Respondent's license now expires on November 26, 2018, unless renewed. At all times relevant herein, respondent has held a real estate license and licensing rights under the Real Estate Law.

3. (A) On or about November 1, 2013, before the Superior Court of California, Airport Courthouse, County of Los Angeles, in *People v. Terre Miran Steinbeck*, Case Number 3WA01445, respondent was convicted on her plea of nolo contendere of driving while having a blood alcohol content of 0.08 percent or higher by weight, in violation of Vehicle Code section 23152, subdivision (b), a misdemeanor and crime not involving moral turpitude.

(B) As a result of her plea, imposition of sentence was suspended, and respondent was placed on summary probation for five years on condition, in part, that she serve six days in the Los Angeles County Jail; pay fines and assessments totaling \$2,193; serve 15 days in jail or perform 15 days of community labor in lieu of paying the fines and assessments; participate in a 18-month, SB-38 program for alcohol treatment or counseling; not drive a vehicle with any measurable amount of alcohol or drugs in her blood system; not refuse to take and complete any blood alcohol or drug chemical test, field sobriety test, or preliminary alcohol screening test, when requested by any peace officer; attend 52 meetings of Alcoholics Anonymous at a frequency of two meetings per week; and obey all laws and orders of the court.

(C) As of the date of her conviction and sentencing, respondent had already attended 33 meetings of Alcoholics Anonymous. The court directed respondent to complete the remaining 19 meetings of Alcoholics Anonymous by May 1, 2014. From May 1, 2014, through October 20, 2014, respondent's criminal defense counsel obtained continuances of progress review hearings. At progress review hearings on October 29, 2014, and March 20, 2015, respondent submitted progress reports of her participation in the SB-38 alcohol treatment or counseling program.

4. (A) The facts and circumstances of respondent's conviction for driving with an excess amount of alcohol in her blood system were that, on or about July 26, 2013, respondent drank wine and then drove a motor vehicle. Her blood alcohol content was 0.15 percent by weight, which was above the legal limit of 0.08 percent. Respondent had a prior conviction or convictions for driving with an excess amount of alcohol in her blood system or for driving under the influence of alcohol.

(B) Respondent suffered her prior conviction seven years earlier. On or about June 22, 2006, before the Superior Court of California, County of Los Angeles, in Case Number 6WA11757, respondent was convicted of driving while having a blood alcohol content of 0.08 percent or higher by weight in violation of Vehicle Code section 23152, subdivision (b), a misdemeanor and crime not involving moral turpitude. She had consumed wine before driving a vehicle. Respondent was placed on summary probation for five years and ordered, in part, to enroll and successfully complete an 18-month second-offender alcohol and drug education and counseling program. On July 23, 2008, respondent filed proof with the court that she had completed the alcohol treatment and education program and the court terminated proceedings early in that case.

5. Based on Findings 3 – 4 above, respondent has two convictions involving the consumption or use of alcohol. Both of her convictions also involved driving after she consumed alcohol. Accordingly, respondent's conviction on November 1, 2013, for driving with an excess amount of alcohol in her blood system, when combined with her conviction on June 22, 2006, is substantially related to the qualifications, functions, or duties of a licensed real estate salesperson under the criterion of California Code of Regulations, title 10, section 2910, subdivision (a)(11).

6. (A) On or about July 8, 2014, before the Superior Court of California, County of Los Angeles, Criminal Justice Center, in *People v. Terre Steinbeck*, Case Number BA416405, respondent was convicted on her plea of nolo contendere of tampering with a vehicle, or the contents thereof, or of breaking or removing a part of a vehicle, without the consent of the owner, in violation of Vehicle Code section 10852, a misdemeanor and a crime involving moral turpitude.

///

(B) Based on her plea, the court suspended the imposition of sentence and placed respondent on summary probation for two years on condition, in part, that she perform 200 hours of community service at a non-profit organization, make restitution to the victim, USAA Insurance Company, in the amount of \$1,062, and obey all laws and orders of the court. The court read and considered an early disposition criminal history assessment report and determined to stay the payment of the costs of probation and not to impose any probationary fines or fees.

7. (A) The facts and circumstances of respondent's offense for vehicle tampering began on June 11, 2013, when she was driving her car eastbound on Sixth Street in Los Angeles and stopped behind a sports utility vehicle (SUV) in the left turn lane at the intersection of Sixth Street and Normandie Avenue. The driver of the SUV waited for two cars to go through the intersection and began making a left turn onto Normandie Avenue. Respondent followed and started making a left turn behind the SUV. However, the driver of the SUV did not see another car coming over a hill towards the intersection and stopped suddenly to avoid having an accident. Respondent was unable to stop her car completely and collided with the rear of the SUV.

(B) The driver of the SUV "felt" an impact at the rear of her vehicle. Both the driver of the SUV and respondent made left turns and stopped at the side of the road. They exchanged insurance, driver license, and vehicle registration information. Both vehicles sustained minor damage. Neither the driver of the SUV nor respondent reported having an injury from the accident.

(C) On the day of the accident, the driver of the SUV called respondent's insurance company, United States Automobile Association (USAA) Insurance Company, filed a claim for damages to her vehicle, reported that respondent, USAA's insured, had hit her SUV from the rear. The next day, June 12, 2013, a claims adjuster for USAA called respondent to obtain her statement about the accident. Respondent reported that she was stopped in the left turn lane and that, when the signal light turned red, the driver of the SUV backed into her car and caused damage to her car. Respondent told the claims adjuster that she was not responsible for the accident.

(D) On June 12, 2013, the USAA claims adjuster called Travelers Insurance Company (Travelers), the automobile insurance company for the driver of the SUV, and reported that Travelers' insured had backed into respondent's car and was responsible for any damage from the accident. On June 12, 2013, a Travelers claims adjuster contacted respondent who stated the driver of the SUV had backed up from the intersection and struck respondent's car. Based on their interviews and reports, the two insurance companies determined that there was a dispute about liability for the accident. USAA paid approximately \$2,320.79 to respondent to

repair damages to her car. Travelers paid approximately \$465 to repair damage to the SUV. Both insurance companies referred the matter to the investigation units within their companies.

(E) On July 3, 2013, the driver of the SUV filed a complaint against respondent with the Department of Insurance, alleging that respondent was guilty of insurance fraud. An investigator from the Fraud Division of the Department of Insurance commenced an investigation. On July 19, 2013, and following his interview of the driver of the SUV, the investigator obtained a copy of a video surveillance recording of the accident from a nearby hotel. The investigator then interviewed claims adjusters and personnel from USAA and Travelers and informed USAA that he had a video recording that showed respondent had struck the rear of the SUV.

(F) On July 13, 2013, a representative from the USAA investigations unit interviewed respondent about the accident. Respondent reported that the driver of the SUV started to make a left turn but hit her brakes. Respondent stated that she "slammed on [her] brake" and did not hit the SUV. Respondent added that, because she was in the intersection and could not drive through it, she started to back up her car but then the SUV also backed up and "tapped" her car. Respondent added that her car was stopped when the SUV hit the front of her car. On September 11, 2013, a USAA case manager called respondent. Respondent reiterated that the driver of the SUV backed into her car. The USAA case manager mentioned to respondent that there was a video recording of the accident. Respondent replied that her car was at a standstill when hit by the SUV.

(G) The Department of Insurance investigator prepared reports of his investigation and requested that the Los Angeles County District Attorney's office file a felony criminal complaint against respondent for insurance fraud. On or about September 20, 2013, the investigator filed a supporting declaration and the District Attorney's office filed a Felony Complaint for Arrest Warrant, charging respondent with insurance fraud. On October 1, 2013, the arrest warrant was recalled by the court. On October 18, 2013, respondent appeared in court and pleaded not guilty to the charge. On June 6, 2014, respondent changed her plea and pleaded nolo contendere to vehicle tampering pursuant to a plea agreement. On July 8, 2014, respondent was sentenced for her offense.

8. Based on the facts and circumstances of the conduct underlying the conviction, respondent's conviction for vehicle tampering was for a crime substantially related to the qualifications, functions, or duties of a real estate salesperson under the criteria of California Code of Regulations, title 17, section 2910, subdivisions (a)(1) and (4). Respondent employed or used a falsehood or misrepresented what her actions were in an accident in order to avoid liability for the damage to the other vehicle.

9. (A) Respondent remains on summary probation for her November 1, 2013 and June 6, 2014 convictions. Her probation for her conviction for driving with an excess level of alcohol in her blood system ends in until November 2018. Her probation for vehicle tampering offense ends in July 2016. She is currently in compliance with the terms and conditions of her criminal probations.

(B) With respect to her conviction for driving with an excess amount of alcohol in her blood system, respondent served her six-day jail sentence and paid the court-ordered fines and fees. She testified that she has completed the alcohol treatment and counseling program. She was required to have filed proof of completion of the program on June 2, 2015. Respondent testified that she has attended all of the 52 meetings of Alcoholics Anonymous ordered by the court.

(C) With respect to her conviction for vehicle tampering, respondent has made restitution to her automobile insurance company, USAA. She has completed approximately 194 of the 200 hours of court-ordered of community service work. Respondent performed 30 hours of community service at the Eisenberg Home of the Aging in Reseda and over 145 hours of community service at the Jewish National Fund where she did office and field work.

10. At the hearing in this matter, respondent acknowledged that she is an alcoholic and that she was wrong to have ingested alcoholic beverages and then drive a vehicle. She has abstained from consuming alcoholic beverages, specifically wine, for the past four or five months. Respondent did not establish that she is currently attending meetings of Alcoholics Anonymous or participating in an ongoing alcohol counseling program.

11. Respondent also apologized for her conduct following her June 11, 2013 automobile accident. She testified that she did not intend to defraud any insurance company and that she made a mistake initially reporting that the driver of the SUV struck her car. She indicated that she did not realize that she was at fault until she saw the video recording of the accident.

12. (A) On October 30, 2013, before the issuance of the accusations, respondent sent a letter to the Bureau pursuant to the requirement of Business and Professions Code section 10186.2. In her letter, respondent informed the Bureau that she had been formally charged with insurance fraud in the Superior Court.

(B) In a letter dated November 13, 2013, respondent informed the Bureau that, on or about November 1, 2013, she was convicted of a second offense of driving under the influence of alcohol in violation of Vehicle Code section 23152, subdivision (b). She filed the letter pursuant to the requirements of Business and Professions Code section 10186.2.

(C) On June 19, 2014, respondent sent a letter to the Bureau pursuant to the requirement of Business and Professions Code section 10186.2. In her letter, respondent informed the Bureau that, on June 5, 2014, she had pleaded no contest to one misdemeanor count of vehicle tampering in the Superior Court. Respondent further indicated in her letter that she was due back in court on July 8, 2014, for sentencing and that she expected the court to order her to serve 24 months of summary probation, perform 200 hours of community service, and pay \$1,062 in restitution.

(D) By a letter dated June 25, 2014, the Bureau confirmed with respondent that it had received her June 19, 2014 letter, which she had filed pursuant to Business and Professions Code section 10186.2.

(E) As set forth in Finding 6 above, respondent was sentenced and formally convicted of vehicle tampering in the Superior Court on July 8, 2014. Respondent signed both the October 30, 2013 letter and June 19, 2014 letter that were sent to the Bureau. The letters were written in the third person presumably by her counsel and printed on the letterhead stationary of respondent's counsel.

13. (A) Later that same year, on or about November 27, 2014, respondent submitted a Salesperson Renewal Application via an electronic application processing system and renewed her real estate salesperson license. With her application, respondent paid the renewal fee of \$367 and attached a Continuing Education Course Verification form. Respondent certified under penalty of perjury that her answers and statements in the renewal application were true and correct.

(B) Question 4 on the renewal application asked, "Within the six-year period prior to filing this application, have you been convicted of a misdemeanor or felony? Convictions expunged under Penal Code section 1203.4 must be disclosed. You may omit traffic citations which do not constitute a misdemeanor or felony." In response to Question 4, respondent marked the box for and answered, "No." Her answer was false and incorrect because, in the six years prior to filing the renewal application, she was convicted of the misdemeanors described in Findings 3 and 6 above. Respondent made a misrepresentation or a material misstatement of fact in her application for renewal of her real estate license.

14. Respondent admitted that her answer on her renewal application that she had no convictions in the prior six years was incorrect and wrong. She testified that she did not intend to mislead the Bureau or to hide her convictions from the Bureau. Respondent asserted that she did not carefully read the question on the renewal application and she attributed her incorrect answer to carelessness. Her testimony that she did not intend to mislead the Bureau was credible based on the fact that she informed the Bureau of her arrest and conviction before filing her renewal application.

15. After she was first issued her real estate salesperson license in 1992, respondent was employed by Jon Douglas Company, a real estate firm based in the Westside of Los Angeles, and then by Coldwell Banker Real Estate, when it acquired Jon Douglas Company, for approximately 16 years. When the recession occurred in 2008 and the real estate market declined, respondent lost her job and her home. In October 2011, she began working for Rodeo Realty and has been affiliated with that real estate company for four years now. Respondent works from both the Beverly Hills and Pacific Palisades offices of Rodeo Realty, which has 13 offices. Her immediate supervisor is John Gould of the Beverly Hills office.

16. As a real estate salesperson for Rodeo Realty, respondent represents and performs real estate activities for clients in the sale and purchase of residential properties. The prices of the properties are approximately \$500,000 for condominiums and \$1.5 to \$1.8 million for single family residences. She has pending real estate transactions that are in escrow and is searching for homes for approximately 10 clients. Respondent also has a couple of clients who frequently use her services to sell and purchase properties. Respondent has described herself as being well-organized and hard-working in her real estate activities. She has a daily schedule during which she accesses social media, posts and read articles, reviews ongoing escrows, and contacts clients and potential buyers. She wakes up at 5:00 a.m. and frequently works until 10:00 p.m. Respondent admits to being less organized in her personal life.

17. As set forth in his declaration, John Gould has a real estate license and is the branch manager of the Beverly Hills office of Rodeo Realty. He has supervised respondent since she joined Rodeo Realty in October 2011, and he indicates that respondent is a well-respected agent who professionally manages her real estate transactions. Gould is aware of respondent's "conviction" and the proceedings before Bureau. He has conferred with the branch manager of the Pacific Palisades office and the broker of record for Rodeo Realty and he represents that Rodeo Realty would retain respondent as a real estate salesperson if she were issued a restricted real estate license. Gould is willing to closely oversee and supervise respondent's real estate activities and work at the Beverly Hills office.

18. As set forth in his declaration, Craig White holds a real estate license and is the branch manager of the Pacific Palisades office of Rodeo Realty. White supervises respondent when she works at the Pacific Palisades office and he states that she is a well-respected, highly ethical agent who takes care of her clients and handles her real estate transactions with the utmost professionalism. White is aware of respondent's "conviction" and the proceedings before Bureau. He has conferred with the branch manager of the Beverly Hills office and the broker of record for Rodeo Realty, and he represents that Rodeo Realty would retain respondent as a real estate salesperson if she were issued a restricted real estate license. White would be responsible for closely overseeing respondent's real estate activities and work at the Pacific Palisades office.



19. As set forth in his declaration, Kenneth Weston Davis is the designated officer and broker Rodeo Realty and supervises the branch managers of the company. Davis states that Rodeo Realty will continue to employ respondent if the Bureau grants an unrestricted or restricted real estate license to her. Davis recognizes that Rodeo Realty will be required to provide additional supervision of respondent and submit reports to the Bureau in the event that respondent is granted a restricted license.

20. (A) Respondent presented several character witnesses. Christina Economides, M.D., is respondent's client and friend. The physician met respondent in May 2010 when she bought a home and respondent was the seller's agent. Since then, Dr. Economides has used respondent as her real estate agent in several transactions. Dr. Economides knows about respondent's two convictions for driving with an excess amount of alcohol in her blood system and opined that respondent is an ethical, honest, and hard-working real estate agent whom she would recommend to others. Respondent has also helped Dr. Economides' parents.

(B) Margery Chirchick has been a licensed real estate salesperson for 37 years and has been an agent at Rodeo Realty for over five years. She has known respondent for 20 years as a colleague in the real estate business. Chirchick is aware of respondent's convictions and considers respondent to be ethical and nice person. She testified that clients love respondent and that she would refer clients to her.

(C) Thomas B. Gallagher is a licensed mortgage broker and respondent's brother. Respondent sold Gallagher's home for him and they have referred clients to one another. Gallagher testified that respondent is an excellent real estate salesperson and is ethical and honest.

(D) William H. Tanner, C.P.A., is a principal in a Los Angeles accounting firm and is respondent's boyfriend. They have been dating for approximately two years. Tanner is aware of respondent's convictions and her incorrect answer on her renewal application. Tanner opined that respondent is ethical and a qualified real estate salesperson. He has referred clients to respondent for real estate services. Tanner asserted that he does not believe that respondent intentionally gave a false answer on her renewal application.

21. By her demeanor, respondent demonstrated regret and embarrassment about her criminal convictions and the incorrect answer on her renewal application. She testified in a sincere and credible manner. Her demeanor appeared forthright and her testimony was consistent. Respondent accepted responsibility for her actions.

22. Respondent did not demonstrate that she is involved in community or volunteer activities or programs to a significant degree. She claimed that she has done charity work at the Eisenberg Home of the Aging and the Jewish National Fund

but acknowledged that the hours she volunteered at these two agencies were to fulfill the community service requirement of her sentence for her vehicle tampering conviction.

23. Respondent is 53 years old and single. She has an adult son who works for a company engaged in the business of buying, renovating, and selling homes. She has been licensed as a real estate salesperson for over 20 years, and she has no disciplinary history on her license.

24. The Bureau's costs of investigation and enforcement in this matter total \$1,556.90, as established by Exhibits 8 and 9. This amount of the Bureau's costs is reasonable.

25. No evidence was presented on respondent's financial ability or inability to pay the Bureau's costs.

\* \* \* \* \*

Based on the foregoing findings of fact, the Administrative Law Judge makes the following determination of issues:

#### LEGAL CONCLUSIONS

1. Grounds exist to revoke or suspend respondent's real estate salesperson license under Business and Professions Code sections 490 and 10177, subdivision (b), for two convictions of crimes substantially related to the qualifications, functions, and duties of a real estate licensee, based on Findings 3 - 5 and 6 - 8 above.

2. Grounds exist to revoke or suspend respondent's real estate salesperson license under Business and Professions Code section 10177, subdivision (a), in that respondent procured renewal of her real estate license by making a misrepresentation or a material misstatement of fact in her license renewal application, based on Findings 2, 3 - 5, 6 - 8, and 13 above.

3. Grounds exist to direct respondent to pay the Bureau for its reasonable costs of investigation and enforcement pursuant to Business and Professions Code section 10106, in that respondent has committed violations of the Real Estate Law, as set forth in Conclusions of Law 1 and 2 above. The reasonable costs of investigation and enforcement in this matter total \$1,556.90, as set forth in Findings 24 and 25 above.

4. Discussion—Respondent has subjected her real estate license to disciplinary action by being convicted of two crimes and making a misstatement on her renewal application. She has presented evidence of mitigation as well as evidence of rehabilitation. The issue in this matter is the appropriate discipline that should be meted out to respondent's real estate license.

First, respondent made a misrepresentation or material misstatement of fact in her November 2014 renewal application when she failed to answer correctly the question regarding convictions and she failed to disclose her November 2013 conviction for driving with an excess amount of alcohol in her blood system and her July 2014 conviction for vehicle tampering. In mitigation, respondent provided the Bureau with prior notices of her arrest and conviction for vehicle tampering when she filed notices under Business and Professions Code section 10186.2. Her assertion that she did not intend to hide her convictions from the Bureau and that she was careless when completing her renewal application was credible. Even after filing the notices regarding her arrest and conviction for vehicle tampering, respondent did not disclose the conviction on her renewal application, which demonstrates that either she forgot about her notices or did not read the renewal application carefully. Respondent admits to her convictions and to the misstatement on her renewal application. She makes no excuses for her conduct.

Second, respondent is still on probation for her convictions and her convictions are recent. However, respondent is in compliance with the terms of her probations. With respect to her conviction for drinking and driving, respondent testified that she has paid the fines and fees, completed the alcohol treatment and counseling program, and attended the required meetings of Alcoholics Anonymous. She admits that she is an alcoholic and states that she has abstained from alcohol use for a few months. With regard to her vehicle tampering conviction, she has made restitution to her automobile insurance company and has almost completed the 200 hours of community service. She has apologized for her conduct following her automobile accident.

It cannot be concluded that respondent is fully rehabilitated from her convictions under the Bureau's criteria of rehabilitation set forth in California Code of Regulations, title 10, section 2912, since she remains on probation for her offenses. Still, respondent's offenses were misdemeanors and did not involve her real estate activities. She has been licensed as a real estate salesperson for over 20 years and has no prior disciplinary history. She has an unblemished good work history and submitted good recommendations from her supervisors and employer. For the past four years, respondent has worked for Rodeo Realty where she is well-respected and the managers have found her to be ethical and professional in her real estate activities. Rodeo Realty is willing to supervise her if she were issued a restricted license.

Based on the nature of her misdemeanor convictions and the misstatement on her renewal application, her license and work histories, the recommendations of her real estate office managers, and the other evidence of

mitigation and rehabilitation, as set forth in Findings 2(A), 3, 6, 9 – 12, 14 – 21, and 23 above, respondent deserves a second chance to continue her licensure as a real estate salesperson. She is a viable candidate for a restricted license under which she can continue her rehabilitation and learn from her mistakes. As a matter of the public interest and welfare, the restricted license will include the requirement that she complete a course in ethics and a period of licensure suspension that will allow respondent to reflect upon her actions.

\* \* \* \* \*

Wherefore, the following Order is hereby made:

#### ORDER

All licenses and licensing rights previously issued to respondent Terre J. Steinbeck under the Real Estate Law are revoked, based on Conclusions of Law nos. 1, 2, and 4, jointly and for all; provided, however, a restricted real estate salesperson's license will be issued to respondent pursuant to Business and Professions Code section 10156.5, if respondent makes application therefor and pays to the Bureau of Real Estate the appropriate fee for the restricted license within 90 days from the effective date of this Decision and Order. The restricted license issued to respondent shall be subject to all of the provisions of Business and Professions Code section 10156.7 and to the following limitations, conditions, and restrictions imposed under the authority of Business and Professions Code sections 10156.6 and 10153.4:

1. 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.
2. 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.
3. 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 (3) years have elapsed from the effective date of this Decision.

Not Adopted

4. Respondent shall submit with any application for license under an employing broker, or any application for transfer to a new employing broker, a statement signed by the prospective employing real estate broker on a form approved by the Bureau of Real Estate which shall certify:

(a) That the employing broker has read the Decision of the Commissioner which granted the right to a restricted license; and

(b) That the employing broker will exercise close supervision over the performance by the restricted licensee relating to activities for which a real estate license is required.

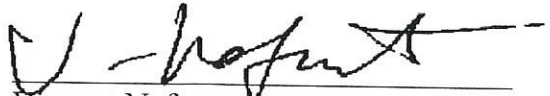
5. Respondent shall, within nine months from the effective date of this Decision, present evidence satisfactory to the Real Estate Commissioner that respondent has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education 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 respondent presents such evidence. The Commissioner shall afford respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

6. Within six months from the effective date of this Decision, respondent shall 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 the suspension of respondent's license until he passes the examination.

7. Any restricted real estate license issued to respondent pursuant to this Decision shall be suspended for thirty (30) days effective immediately on issuance of the restricted license.

8. Respondent shall pay the Bureau for the reasonable costs of investigation and enforcement in this matter in the sum of \$1,556.90. Respondent may apply to the Bureau for payment of these costs in monthly or installment payments as long as she completes making payment of the full costs at least six months prior to the end of the term of the restricted license.

Dated: September 23, 2015

  
\_\_\_\_\_  
Vincent Nafarrete  
Administrative Law Judge  
Office of Administrative Hearings

Not Adopted