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DEPT. OF REAL ESTATE
By R. P. Sed

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Application of

MUHAMMAD ARSHED,

Respondent.

No. H-40123 LA

ORDER DENYING REMOVAL OF RESTRICTIONS ON LICENSE

On January 6, 2016, a Decision was rendered herein denying Respondent's application for a real estate salesperson license, but granting Respondent the right to the issuance of a restricted real estate salesperson license. A restricted real estate salesperson license was issued to Respondent on February 4, 2016, and Respondent has held a restricted license since that time.

On July 19, 2018, Respondent petitioned for the removal of restrictions attaching to Respondent's real estate salesperson license.

The burden of proving rehabilitation rests with the petitioner (*Feinstein v. State Bar* (1952) 39 Cal. 2d 541). A petitioner is required to show greater proof of honesty and integrity than an applicant for first time licensure. The proof must be sufficient to overcome the prior adverse judgment on the applicant's character (*Tardiff v. State Bar* (1980) 27 Cal. 3d 395).

I have considered Respondent's petition and the evidence submitted in support

1 thereof.

2 The Department has developed criteria in Section 2911 of Title 10, California
3 Code of Regulations ("Regulations") to assist in evaluating the rehabilitation of an applicant for
4 issuance or reinstatement of a license. Among the criteria relevant in this proceeding are:

5 **2911. Criteria for Rehabilitation**

6 *(a)(10) Discharge of, or bona fide efforts toward discharging, adjudicated debts*
7 *or monetary obligations to others.*

8 On February 11, 2000 a Federal Tax Lien for \$111,293.35 was filed against
9 Respondent. Respondent has presented no evidence of discharging, or bona fide
efforts toward discharging, this debt.

10 *(a)(14) Change in attitude from that which existed at the time of the conduct in*
11 *question as evidenced by the following:*

12 *(A) Testimony and/or other evidence of rehabilitation submitted by the applicant.*

13 In response to Question 4A on his Enforcement Petition Application, to wit:
14 Do you have any past debts, outstanding judgments, or have you filed
15 bankruptcy?", Respondent answered "no", thereby failing to disclose the lien
16 discussed above. In *Harrington vs. Dept. of Real Estate (1989)*, 214 Cal. App. 3d,
394, the court stated that lack of candor in completing a license application is itself
sufficient to sustain a finding that the applicant does not yet appreciate the need to
speak honestly about and to accept responsibility for one's actions.

17 Respondent has failed to demonstrate to my satisfaction that Respondent has
18 undergone sufficient rehabilitation to warrant the removal of the restrictions on Respondent's real
19 estate salesperson license at this time.

20 Given the fact that Respondent has not established that Respondent has complied
21 with Regulations 2911(a)(10) and (a)(14)(A), I am not satisfied that Respondent is sufficiently
22 rehabilitated to receive an unrestricted salesperson license.

23 NOW, THEREFORE, IT IS ORDERED that Respondent's petition for removal of
24 restrictions on Respondent's real estate salesperson license is denied.

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26 ///

AUG 29 2019

This Order shall become effective at 12 o'clock noon on _____.

DATED August 5, 2019

DANIEL J. SANDRI
ACTING REAL ESTATE COMMISSIONER

