

# BEFORE THE DEPARTMENT OF REAL ESTATE STATE OF CALIFORNIA

APR 3 0 2025

DEPT. OF REAL ESTATE

In the Matter of the Application of:

CHRISTINE ASHLEY SMITH,

Respondent.

DRE No. H-42957 LA

OAH No. 2024120948

### DECISION

The Proposed Decision dated March 14, 2025, 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.

The application for a real estate salesperson license is denied, but the right to a restricted real estate salesperson license is granted to Respondent.

Pursuant to Government Code Section 11517(c)(2), the following corrections are made to the Proposed Decision:

On Page 8 of the Proposed Decision, #34, paragraph 6, line 3, delete "16" before "violating Penal Code section...".

On Page 12 of the Proposed Decision, #61, paragraph 6, line 2, delete "3" before "violating Penal Code section...".

On Page 14 of the Proposed Decision, #68, paragraph 4, line 1, correct "Cecilia F Ruiz" to read, "Cecilia F. Ruiz".

On Page 22 of the Proposed Decision, #4, paragraph 1, line 3, correct "Department of Real Estate, Post Office Box 187000, Sacramento, CA 95818-7000" to read, "Department of Real Estate, ATTN: Flag Section, 651 Bannon Street, Suite 504, Sacramento, CA 95811".

Pursuant to Government Code Section 11521, the Department of Real Estate may order reconsideration of this Decision on petition of any party. The party seeking reconsideration shall set forth new facts, circumstances, and evidence, or errors in law or analysis, that show(s) grounds and good cause for the Commissioner to reconsider the Decision. If new evidence is presented, the party shall specifically identify the new evidence and explain why it was not previously presented. The Department's power to order reconsideration of this Decision shall expire thirty (30) days after mailing of this Decision, or on the effective date of this Decision, whichever occurs first. The right to reinstatement of a revoked real estate license or to the reduction of a penalty is controlled by Section 11522 of the Government Code. A copy of Sections 11521 and 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

If and when a petition for removal of restrictions is filed, all competent evidence of rehabilitation presented by the Respondent will be considered by the Real Estate Commissioner.

This Decision shall become effective at 12 o'clock noon on

IT IS SO ORDERED

Chika Sunquist

REAL ESTATE COMMISSIONER

Marcus L. McCarther By:

Chief Deputy Real Estate Commissioner

# BEFORE THE DEPARTMENT OF REAL ESTATE STATE OF CALIFORNIA

In the Matter of the Statement of Issues Against:

**CHRISTINE ASHLEY SMITH, Respondent.** 

Agency Case No. H-42957 LA

OAH No. 2024120948

#### PROPOSED DECISION

Thomas Lucero, Administrative Law Judge, Office of Administrative Hearings, State of California, heard this matter by videoconference on February 13, 2025.

Lisette Garcia, Staff Counsel, represented complainant Jason Parson, a Supervising Special Investigator for the State of California, who brought the Statement of Issues before the Department of Real Estate (Department or DRE) in his official capacity. Respondent Christine Ashley Smith represented herself.

The Code cited below is the California Business and Professions Code. The Real Estate Law is Part 1 of Division 4 of the Code, sections 1000 through 10580. Each Regulation below is a section of title 10 of the California Code of Regulations.

Documents and testimony were received in evidence. The record closed and the matter was submitted for decision on February 13, 2025.

# STATEMENT OF THE CASE

The Department contends respondent's application to be a real estate salesperson should be denied based on eight recent misdemeanor convictions, aggravated by 53 other criminal convictions over the past several years. Respondent contends she has turned away from prostitution, the basis for nearly all her convictions, and, now working for a licensee, hopes she may support herself selling real property and leave behind all wrongdoing for good.

### FINDINGS OF FACT

1. The Department filed the Statement of Issues on November 13, 2024.

Respondent timely requested a hearing in a Notice of Defense on Application dated November 19, 2024.

# **Application**

2. Respondent applied for a license as a real estate salesperson on July 1, 2022. After checking respondent's background, the Department did not grant the application and the Statement of Issues was filed instead.

# **Six Criminal Convictions Alleged As Cause to Deny**

3. Complainant alleges that six of respondent's criminal convictions are grounds to deny her application for a license. These convictions are listed below, as in the Statement of Issues, in reverse chronological order, the most recent a March 2020 misdemeanor in Nevada, the earliest of the six a 2009 felony in Nevada.

- 4. On March 16, 2020, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 20M00841X, on her plea of guilty, respondent was convicted of a misdemeanor, soliciting prostitution in violation of a Nevada statute, currently enacted as Nevada Revised Statute (NRS) 201.354, Nevada Offense Code Presentation (NOC) 56702. Respondent had been arrested close to the Las Vegas Strip on January 13, 2020, for offering fellatio for \$50. She was sentenced to time served in jail. The circumstances underlying the offense are that an undercover police officer went to an alley where prostitution was known to occur. He told respondent he was interested in oral sex and she asked whether he had \$50. He said yes. Respondent was arrested after entering his vehicle to complete the transaction.
- 5. On February 12, 2020, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 19T12090, on her plea of nolo contendere, respondent was convicted of trespass, not amounting to burglary, in violation of NRS 207.200, NOC 53166, a misdemeanor. Respondent was issued a misdemeanor citation on December 16, 2019, because she had returned to a property after the owner had warned she was trespassing.
- 6. On December 11, 2019, in the Henderson Municipal Court, Clark County, Nevada, case number 19TR024255, on a plea of guilty, respondent was convicted of misdemeanors: (i) driving without a valid license in violation of NRS 483.550, NOC 53720; and (ii) operating a vehicle when its registration was suspended in violation of NRS 485.330, NOC 54099. For driving without a valid license, the court fined respondent \$415, for violating the registration law, the court fined respondent \$640, but the fines were to be reduced if respondent showed proof of holding a valid driver's license and registration by January 8, 2020.

- 7. On September 13, 2018, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 18M04982X, respondent pled no contest to and was convicted of violating (NRS 484C.110, NRS 484C.400,484C.105 NOC 53900) (DUI, driving under the influence of alcohol or controlled or prohibited substance), a misdemeanor. The arresting officer observed that on the night of February 28, 2018, respondent failed to stop at a posted stop sign and he saw smoke in her vehicle. Upon respondent's complying with the officer's request to open her window, he smelled smoke from marijuana. He also found that respondent had no insurance for the vehicle.
- 8. On April 24, 2018, in the California Superior Court, County of Los Angeles (LASC), case number 8CJ08374, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b)(1) (soliciting prostitution), a misdemeanor.
- 9. On March 18, 2009, in the District Court, of Clark County, Nevada, case number C251173, respondent pled guilty to and was convicted of violating NRS 205.270 (larceny from the person), a Category C felony. Respondent stated at the hearing that the charge arose on December 24, 2008, when a "date" went "haywire." A man dissatisfied with his "date" with respondent told the police she had stolen his wallet, cash, and keys, but in fact he had them all still. Respondent pled guilty, but she stated she did not strike or do any physical harm. The court suspended sentencing respondent and placed her on probation. Asked why on April 7, 2009, the court found she violated the terms of probation, respondent explained she needed help and had none in Las Vegas, and so decided, contrary to probationary terms, to return to California. The amended judgement of conviction shows respondent was sentenced to prison for a minimum of 12 and a maximum of 36 months, a sentence that was also

suspended upon respondent's being placed on probation for an indeterminate period of up to four years. Among the terms of probation were that respondent complete an anger management course and submit to random drug testing. Respondent complied.

# **Criminal Convictions in Aggravation**

- 10. All 53 criminal convictions in aggravation are misdemeanors. There are several in most years, except there are none in 2010. The earliest was in October 2006 and the most recent was in May 2017. Most of the convicting courts are in Nevada and Southern California, particularly Los Angeles, but there is one conviction for prostitution in Texas in 2006.
- 11. On May 30, 2017, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 17M05701X, respondent pled guilty to and was convicted of violating NRS 201.354, NOC 51015 (soliciting prostitution), a misdemeanor.
- 12. On December 5, 2016, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 16M30720X, respondent pled guilty to and was convicted of violating NRS 207.200, NOC 53166 (trespass, not amounting to burglary), a misdemeanor.
- 13. On June 1, 2016, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 16M06302X, respondent pled guilty to and was convicted of violating NRS 201.354, NOC 51015 (soliciting prostitution), a misdemeanor.
- 14. On March 18, 2016, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 15M25447X, respondent pled guilty to and was convicted of violating NRS 201.354, NOC 51015 (soliciting prostitution), a misdemeanor.

- 15. On February 10, 2015, in LASC case number 4PS03888, respondent pled no contest to and was convicted of violating Penal Code section 653.22(A) (soliciting prostitution), a misdemeanor.
- 16. On August 4, 2014, in LASC case number 4PK03199, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 17. On July 18, 2014, in LASC case number 4PS01907, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 18. On May 5, 2014, in LASC case number 4PS00568, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 19. On March 19, 2014, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 14M05370X, respondent pled guilty to and was convicted of violating NRS 207.200, NOC 53166 (trespass not amounting to burglary), a misdemeanor.
- 20. On January 17, 2014, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 13M00813X, respondent pled guilty to and was convicted of illegal parking, a misdemeanor.
- 21. On October 3, 2013, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 11M48289X, respondent pled no contest to and was convicted of violating NRS 201.354, NOC 51015 (soliciting prostitution), a misdemeanor.

- 22. On August 27, 2013, in the California Superior Court, County of San Bernardino, case number MWV130305, respondent pled guilty to and was convicted of violating Penal Code section 148, subdivision (a)(1) (willfully resisting, delaying, or obstructing a public officer), a misdemeanor.
- 23. On August 13, 2013, in LASC case number 3PK03471, respondent pled no contest to and was convicted of violating Penal Code section 653.23, subdivision (a) (loitering to solicit prostitution), a misdemeanor.
- 24. On August 01, 2013, in LASC case number 3PY03685, respondent pled no contest to and was convicted of violating Penal Code section 653.22, subdivision (a) (soliciting prostitution), a misdemeanor.
- 25. On April 15, 2013, in LASC case number 3PS00275, respondent pled no contest to and was convicted of violating Penal Code section 653.22, subdivision (a) (soliciting prostitution), a misdemeanor.
- 26. On October 9, 2012, in LASC case number 2PY05392, respondent pled no contest to and was convicted of violating Penal Code section 653.22, subdivision (a) (soliciting prostitution), a misdemeanor.
- 27. On October 3, 2012, in LASC case number 2PS03127, respondent pled no contest to and was convicted of violating Penal Code section 653.22, subdivision (a) (soliciting prostitution), a misdemeanor.
- 28. On July 23, 2012, in LASC case number 2PK03511, respondent pled no contest to and was convicted of violating Penal Code section 148, subdivision (a)(1) (willfully resisting, delaying, or obstructing a public officer), a misdemeanor.

- 29. On July 09, 2012, in LASC case number 2P202060, respondent pled no contest to and was convicted of violating Penal Code section 653.22, subdivision (a) (soliciting prostitution), a misdemeanor.
- 30. On February 22, 2012, in LASC case number 21G00900, respondent pled no contest to and was convicted of violating Penal Code section 472 (forgery or counterfeiting driver's license), a misdemeanor.
- 31. On January 18, 2012, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number I IM45885X, respondent pled guilty to and was convicted of violating NRS 453.336 (possession of controlled substance, less than one ounce of marijuana), a misdemeanor.
- 32. On November 7, 2011, in the Superior Court of California, County of Santa Clara, case number C1115908, respondent pled no contest to and was convicted of violating Penal Code section 653.22, subdivision (a) (soliciting prostitution), a misdemeanor.
- 33. On October 13, 2011, in LASC case number 1PY05330, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 34. On March 25, 2011, in the Superior Court of California, County of San Bernardino, case number MWV904340, respondent pled guilty to and was convicted of 16 violating Penal Code section 653.22, subdivision (a) (loitering with intent to engage in prostitution), a misdemeanor.

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- 35. On February 28, 2011, in LASC case number OPS04021, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 36. On February 03, 2011, in the Superior Court of California, Orange County, case number 10WM12781, respondent pled guilty to and was convicted of violating Penal Code section 653.22, subdivision (a) (loitering with intent to commit prostitution) and Penal Code section 24 853.7 (failure to appear), misdemeanors.
- 37. On February 03, 2011, in the Superior Court of California, Orange County, case number 10CM10670, respondent pled guilty to and was convicted of violating Penal Code section 647, subdivision (b) (agreeing to engage in prostitution), a misdemeanor.
- 38. On January 10, 2011, in LASC case number IPY00015, respondent pled guilty to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 39. On August 18, 2009, in LASC case number 9PY05622, respondent pled guilty to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 40. On June 15, 2009, in LASC case number 9HY00570, respondent pled no contest to and was convicted of Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 41. On December 10, 2008, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 08M36741X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.

- 42. On November 24, 2008, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 08M33692X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.
- 43. On November 19, 2008, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 08M33020X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.
- 44. On November 03, 2008, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 08M30580X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.
- 45. On September 3, 2008, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 08M16869X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.
- 46. On August 08, 2008, in LASC case number 8CP06418, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 47. On July 1, 2008, in LASC case number 8PS00575, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 48. On January 22, 2008, in LASC case number 7PY07755, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.

- 49. On January 18, 2008, in LASC case number 8PK00367, respondent pled guilty to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 50. On November 06, 2007, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 07M15198X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.
- 51. On November 6, 2007, in the Justice Court, Las Vegas Township 20 Clark County, Nevada, case number 07M128847X, respondent pled guilty to and was convicted of violating ordinance 12.08.030 (loitering for the purpose of soliciting), a misdemeanor.
- 52. On November 6, 2007, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 07M128847X, respondent pled guilty to and was convicted of violating ordinance 12.08.030 (loitering for the purpose of soliciting), a misdemeanor.
- 53. On November 06, 2007, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 07M00322X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.
- 54. On October 22, 2007, in LASC case number 7AH03630, respondent pled no contest to and was convicted of violating Penal Code section 647, subdivision (b) (disorderly conduct: soliciting prostitution), a misdemeanor.
- 55. On July 19, 2007, in LASC case number 7PY03833, respondent pled no contest to and was convicted of violating Penal Code section 653.22, subdivision (a) (loitering with intent to soliciting prostitution), a misdemeanor.

- 56. On May 22, 2007, in LASC case number 7PK02584, respondent pled guilty to and was convicted of violating Penal Code section 653.22, subdivision (a) (loitering with intent to soliciting prostitution), a misdemeanor.
- 57. On May 18, 2007, in LASC case number 7CA07566, respondent pled no contest to and was convicted of violating Penal Code section 653.22, subdivision (a) (loitering with intent to soliciting prostitution), a misdemeanor.
- 58. On May 11, 2007, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 06M25079X, respondent pled guilty to and was convicted of violating two counts of NRS 201.354 (soliciting prostitution), misdemeanors.
- 59. On February 13, 2007, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 06M30889X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.
- 60. On January 26, 2007, in LASC case number 7CA04579, respondent pled no contest to and was convicted of violating Penal Code section 653.22, subdivision (a) (loitering with intent to soliciting prostitution), a misdemeanor.
- 61. On January 22, 2007, in LASC case number 7SR00373, respondent plead no contest to and was convicted of 3 violating Penal Code section 647, subdivision (a) (disorderly conduct: solicit lewd act), a misdemeanor.
- 62. On November 28, 2006, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 06M24355X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.

- 63. On October 31, 2006, in the County Criminal Court, Harris County, Texas, case number 1413042, respondent pled guilty to and was convicted of violating NCIC 4004 03 (prostitution), a Class B misdemeanor.
- 64. On October 9, 2006, in the Justice Court, Las Vegas Township, Clark County, Nevada, case number 06M21166X, respondent pled guilty to and was convicted of violating NRS 201.354 (soliciting prostitution), a misdemeanor.

# **Respondent's Evidence**

65. Respondent's hearing testimony was consistent with her written statements to the Department and an interview, described below. She wrote in her Interview Information Statement, form RE 515 (Rev. 9/22) dated September 8, 2023, found in Exhibit 107, page Z210:

I was caught up in these [criminal] charges because I thought this was the easier way to take care of myself. I was fresh out of high school and choose [sic] to hang around the wrong people. I now know that's not a good and healthy way to take care of myself. My life is now stable and I'm connecting back with my family. My father passed away in January of this year and want to just find a new chapter in my life. I'm taking care of my mom by doing what I can for her and I want to show her I can do something good. I've been helping my older brother out with his children since my father passed away and stayed [sic] out of trouble.

Respondent has worked as a hair stylist in Los Angeles and currently works as assistant to a licensed real estate salesperson, Alexandra Garcia at Century 21 Prime Time.

Respondent answers the telephone at the agency and makes appointments for Ms. Garcia.

- 66. In a March 8, 2024 interview with Special Investigator (SI) Lizette Castro, respondent advised that she had paid all fines and fulfilled all terms and conditions imposed by the criminal courts over the years. There were no criminal cases pending against her. She said that her criminal conduct started when she was 18 or 19 years old and wanted to leave her mother's house and needed money. She said, Exhibit 108, page Z212, she then "got caught up with the wrong person." SI Castro asked respondent why DRE should issue her a license. Her response was that she had started to learn about real estate and how to acquire real property and that had changed her life.
- 67. Respondent's testimony regarding her inner state emphasized not so much regret or remorse as her new hope and, more tangibly, the significant changes she has made to her lifestyle, giving her the courage to tackle a new, law abiding career. Respondent stated that she is also mindful of the consequences of any further wrongdoing, and how a real estate licensee must not abuse the position, handling as they do confidential information, including financial information. She was firm in her assurances during the hearing that she would never abuse the trust of others and would certainly not return to her old ways.

#### **Character Reference Witnesses**

68. Cecilia F Ruiz, a licensed salesperson who met respondent in 2023, testified to respondent's good character. Ms. Ruiz works in the office of licensee Felix Lopez. Respondent acts as her office assistant. Ms. Ruiz is aware of respondent's past wrongdoing, but stated that the past is past, that now respondent is a diligent worker,

thorough, very communicative, one who has done a good job. Respondent communicates well with the public and clients and is learning as she shadows Ms. Ruiz at open houses. Ms. Ruiz does not see that respondent might revert to past behavior.

69. Shanale Taylor is a hair stylist, licensed by the Department of Barbering and Cosmetology. She has known respondent for approximately 10 years. She testified that respondent is "very well acclimated in her new lifestyle." Ms. Taylor has given respondent some training in being home care assistant and respondent has cared for a child in Ms. Taylor's extended family. Ms. Taylor remembers efforts by respondent's family to persuade her to leave her old lifestyle and criminal behavior. They were successful and continue to be a resource as family members help respondent and each to overcome life's difficulties. Respondent has helped Ms. Taylor with braiding clients' hair. She corroborated respondent's testimony that respondent has changed her life as she no longer associates with the people with whom she did when committing crimes.

#### **LEGAL CONCLUSIONS**

- 1. Complainant presented a prima facie case for denying respondent's application based on her criminal convictions. The burden of proof then shifted to respondent under Evidence Code sections 115 and 500 to demonstrate by a preponderance of the evidence circumstances and good character that warrant issuing her a salesperson's license.
- 2. Under Business and Professions Code sections 475, subdivision (a)(2), 480, subdivision (a), and 10177, subdivision (b), the Department may deny respondent's license application based on her conviction of each crime within the

seven years before her application so long as the crimes have substantial relationship to the qualifications, functions, or duties of a real estate licensee.

3. Regulation 2910 states that substantial relationship may be deemed to exist between a crime and a real estate licensee's qualifications, functions, or duties if the crime involves:

Under subdivision (a)(1), the fraudulent taking, obtaining, appropriating, or retaining of funds or property belonging to another person;

Under subdivision (a)(2), the uttering of a false statement;

Under subdivision (a)(4), fraud, deceit, falsehood, or misrepresentation to achieve an end; and

Under subdivision (a)(10), conduct demonstrating a pattern of repeated and willful disregard of law.

4. Regulation 2910, subdivision (c), provides in part:

The nature and gravity of the offense, the number of years that have elapsed since the date of the offense, and the nature and duties of a real estate licensee shall be taken into consideration when determining whether to deem an offense to be substantially related to the qualifications, functions or duties of a licensee. The Department's consideration of these factors in assessing the substantial relationship of an offense does not alter, or act in place of, consideration of these same factors in the Criteria for Rehabilitation

- 5. Under subdivision (a) of Regulation 2910.5, a financial crime that is a felony is "directly and adversely related to the fiduciary qualifications, functions, or duties of a licensee." Subdivision (b) of the regulation provides:
  - (b) A financial crime, as referenced in Business and Professions Code Section 480(a)(1)(B), is any crime where the applicant did one or more of the following in the commission of a criminal offense:
  - (1) Obtained money, property, or services.
  - (2) Deprived their victim of money, property, or services.
  - (3) Engaged in acts involving mishandling of money, property, or services, including but not limited to money laundering.
  - (4) Committed an act of fraud, dishonesty, a breach of trust, or money laundering, as those terms are referenced in the United States Code Service at Title 12, Section 5104(b)(2)(B)
- 6. Regulation 2911, subdivision (a), sets out the criteria for evaluating whether an applicant is rehabilitated for purposes of denying or issuing a license. Pertinent considerations under the relevant subdivisions are discussed below.

#### **ANALYSIS**

# **Substantial Relationship**

7. Respondent's criminal convictions are substantially related to the qualifications, functions, or duties of a real estate licensee. That is true under

Regulation 2910, subdivision (a)(10), because respondent's six convictions cited as grounds to deny her a license constitute conduct demonstrating a pattern of repeated and willful disregard of law. Substantial relationship exists under Regulation 2910, subdivision (a)(1), with respect to respondent's March 18, 2009 criminal conviction for larceny. In addition, a finding of substantial relationship is strengthened under Regulation 2910, subdivision (c), given the many years of respondent's offenses.

# Rehabilitation

- 8. The sheer number of respondent's criminal convictions and their extent over several years show she developed the habit of disregarding the law and social conventions. Habits are hard to break. Hard as it may be, respondent is making a strong effort to interrupt her past habitual disregard for the law. It is admirable that she has been successful now for some five years. She has suffered no conviction since 2020.
- 9. This long lapse of time since respondent's last criminal conviction is not alone sufficient for rehabilitation, but it goes far in that direction, as indicated in subdivision (a) of Regulation 2911. Subdivision (a)(1)(B)(i) of the regulation states that the nature and severity of offenses should be considered as well as the lapse of time. Respondent's offenses are many, but they are not particularly severe. The outlier among her convictions is the March 2009 felony conviction for larceny. Respondent's testimony denying any theft cannot be credited in light of the holding in *Arneson v. Fox* (1980) 28 Cal.3d 440, 452, prohibiting a respondent's collateral attack on a previous criminal conviction. But the long period elapsed since this felony without another such serious offense, or any similar offense, tells in respondent's favor.

- 10. With the one qualification noted above regarding her March 2009 conviction, respondent completed the terms of probation imposed by the criminal courts for her several offenses, a small factor to show some rehabilitation under Regulation 2911, subdivisions (a)(5) and (a)(7).
- 11. Of much more significance in showing that respondent is rehabilitating herself is indicated under Regulation 2911, subdivision (a)(13), the change in her social relationships. Respondent stated that her chain of convictions started when she left her mother's home at age 18 or 19 and fell in with bad people. Respondent has returned to her family and renounced her old acquaintanceship. It has made a great difference in her life for the better. She helps her father and her brother and has the support of her family in avoiding the subculture of crime she once inhabited. More than that, respondent has been working in a real estate agency, and has the support of one licensed salesperson in particular. In her work and in her family life, respondent is on the right road to full rehabilitation.
- 12. Respondent did not present evidence meeting some criteria of rehabilitation, such as conscientious involvement in a community working for the good society under subdivision (a)(12) of Regulation 2911. But her evidence showed she met one of the most important of the criteria, a change in attitude, as set out in subdivision (a)(14) of the regulation. Respondent showed that she wishes to work in law abiding ways, and so she has worked as a hair stylist and as a real estate office assistant. She holds the commendable hope of advancing in real estate with a license.
- 13. Respondent's testimony regarding her rehabilitation is credible and given substantial weight. It is supported by the testimony of respondent's character witnesses. It is supported as well by respondent's years of law abiding activity and efforts and concrete accomplishments, primarily in vocational learning and her gainful

employment, continuously kept up since 2020. Considering respondent's change in attitude and the long lapse of time since any criminal conviction, two good indicators of rehabilitation, respondent's reform should be considered sufficient for issuance of a restricted license.

# **ORDER**

The application of respondent, Christine Ashley Smith, for a real estate salesperson license 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 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 the Code:

- 1. 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.

- 2. 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 three years have elapsed from the date of issuance of the restricted license to respondent.
- 3. 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.

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4. Respondent shall notify the Real Estate Commissioner in writing within 72 hours of any arrest by sending a certified letter to the Commissioner at the Department of Real Estate, Post Office Box 187000, Sacramento, CA 95818-7000. The letter shall set forth the date of respondent's arrest, the crime for which respondent was arrested and the name and address of the arresting law enforcement agency. Respondent's failure to timely file written notice shall constitute an independent violation of the terms of the restricted license and shall be grounds for the suspension or revocation of that license.

DATE: 03/14/2025

THOMAS LUCERO

Administrative Law Judge
Office of Administrative Hearings

RECENTED ATE
DEPT OF REAL ESTATE
NAR 14 2025
LADO - LEGAL SECTION