

PURCHASE MONEY SECURITY INFORMATION

RE 600A-1 (Rev. 7/15)

SUBDIVISIONS

GENERAL INFORMATION

- All correspondence should be addressed to:
Department of Real Estate
Subdivisions Office – South
320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105
- The subdivider's name must exactly match the name of the principal on the security or a rider must be submitted which adds that subdivision principal.
- Attached to any bonds, riders or notices from a surety, must be a current attorney-in-fact for the entity signing on behalf of the surety.
- Any securities, riders or notices should be submitted with the name of the surety, principal, and agent, the current address and telephone number of same.
- Retain these instructions for reference.
- The following forms are referenced by name and/or number in this information sheet.
RE 600A Blanket Surety Bond [§11013.2/.4]
RE 600B Purchase Money Verification [§11010.4]

REQUIREMENTS

Pursuant to Sections 11013.2 and 11013.4 of the Business and Professions (B&P) Code, subdividers may elect to furnish to the Real Estate Commissioner a security for the benefit and protection of purchasers or lessees for subdivision lots/parcels/units/interests in lieu of impounding all purchase money until close of escrow.

The amount of the security is determined by the subdivider; however, all purchase money which exceeds the amount of the bond must be impounded pursuant to Sections 11013.2(a) and 11013.4(a) of the B&P Code.

Single subdivision or more than one subdivision

If a bond will be used, RE 600A should be used. The public report application would not be deemed perfected until a copy of the bond is submitted with all other application documents to the Special Investigator processing the application. If the subdivision is exempt, include that notification with the bond. The original bond is to be sent to the Purchase Money Coordinator for maintenance in the Subdivision Section in Los Angeles.

Exempt subdivisions

Security instruments may be used for subdivisions which are exempt from public report requirements pursuant to Section 11010.4 of the B&P Code. For such exempt subdivisions, the security instruments should be sent directly to the Purchase Money Coordinator in the Subdivision Section. An RE 600B must be submitted for each exempt subdivision to be covered by the security. Status reports pertinent to exempt subdivisions being added to and deleted from security coverage are also required and should include the same information as outlined for non-exempt subdivisions, excluding DRE public report file number. An RE 600B should accompany the status report if an addition of a subdivision is being reported.

RE 600A may be used for a combination of exempt and non-exempt subdivisions provided that DRE is apprised of all current information.