



# REAL ESTATE BULLETIN

Gray Davis, Governor

Maria Contreras-Sweet, Secretary, Business, Transportation, & Housing Agency

Paula Reddish Zinnemann, Real Estate Commissioner

<http://www.dre.ca.gov>

Department of Real Estate

Summer 2002

## Message from Commissioner Reddish Zinnemann

The Department of Real Estate is committed to protecting the public interest in real estate transactions and providing related services to the real estate industry. As such, I am pleased to share some recent innovations and improvements.

### Consumer outreach

Consumer outreach is a top priority. All DRE consumer protection materials are available on the DRE Web site and the **Consumers** menu has been improved to help consumers find what they need quickly and easily. **Information for Homebuyers**, which provides an overview of the home purchase and loan processes as well as helpful tips for consumers, is on the DRE Web site in English, Spanish, and Traditional Chinese. **Protect Yourself from Predatory Lending**, also on the DRE Web site in English, Spanish and Traditional Chinese, offers further details about the mortgage loan process and advises consumers of predatory lending tactics of which they should be aware. In addition to this virtual information, DRE staff members are available to speak to consumer groups about various topics related to real estate. [Both topics are featured "In the Spotlight" on the main DRE Web page.]

### License applicants

To better serve license applicants, the DRE in conjunction with the Department of Justice has developed an electronic fingerprint interface aimed at helping to expedite the licensing process. Also,

the DRE continues to add features to its Web site to provide license applicants and licensees with efficient ways to interact with the DRE.

### Licensees

To ensure that conditional licensees have the knowledge they need to conduct business, the Department is proposing legislation to make Real Estate Practices a mandatory, rather than optional

education course. The legislation also requires that licensees pass a one-time exam to be given in each of the four mandatory continuing education classes: Agency, Ethics, Trust Fund Handling, and Fair Housing. In addition, the DRE is now monitoring continuing education providers on a random basis to ensure the courses offered are in compliance with DRE re-

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## Cheat on continuing education Jeopardize your license

The DRE recently filed an action seeking to withdraw approval of the courses offered by a continuing education course provider who was allegedly allowing continuing education course certificates to be sold to licensees without requiring them to actually take the course.

In addition to the alleged actions of the course provider, it is disturbing that there were perhaps hundreds of real estate licensees who apparently decided to renew their licenses by attempting to cheat the system rather than legitimately completing the required 45 hours of continuing education. In response to this situation, the DRE is initiating a program to carefully monitor the offerings of course providers as well as continuing to review the continuing education submitted by licensees with renewal applications. Any licensee who is found to have renewed their license by fraud, e.g., using continuing education that he or she has not actually completed, will be subject to disciplinary action.

Licensees are encouraged to consider that the requirement to complete 45 hours of continuing education over a four-year period is not overly burdensome. Any licensee who is entertaining the prospect of renewing their license using fraudulently obtained continuing education should carefully consider the potential consequences before submitting that information to the DRE. Individuals who attempt to cheat the system are placing their license in jeopardy. 🏠

**REAL ESTATE BULLETIN**

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STATE OF CALIFORNIA  
GRAY DAVIS, Governor

BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
MARIA CONTRERAS-SWEET, Secretary

DEPARTMENT OF REAL ESTATE  
PAULA REDDISH ZINNEMANN, Commissioner

**PRINCIPAL OFFICE**

We're located at: 2201 Broadway, Sacramento, 95818-2500  
Mailing Address: P.O. Box 187000, Sacramento, 95818-7000

**Administration**

John R. Liberator, *Chief Deputy Commissioner*  
Thomas L. Pool, *Asst. Comm., Legislation & Public Information Services*  
Sam Perrotti, *Assistant Commissioner, Subdivisions*  
Fa-Chi Lin, *Chief Auditor*  
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Randy Brenda, *Managing DC IV, Mortgage Lending*

**Real Estate Bulletin**

Thomas L. Pool, *Editor*  
Amy Edelen, *Publications Deputy*  
Laura Curry, *Production Editor*

**Primary Telephone Numbers**

Consumer Information .....	(916) 227-0864
Mortgage Loan Activities .....	(916) 227-0770
General Licensing Information .....	(916) 227-0931
Broker Examinations .....	(916) 227-0899
Salesperson Examinations .....	(916) 227-0900
Original Licensing (sales/brokers) .....	(916) 227-0904

**NORTHERN ENFORCEMENT AREA — DISTRICT OFFICES**

- Steve Ellis, *Managing Deputy Commissioner IV*
- 2550 Mariposa Mall, Suite 3070, **Fresno**, 93721-2273  
John Sweeney, *Managing Deputy Commissioner II*  
Consumer Information .....
  - 1515 Clay Street, Suite 702, **Oakland**, 94612-1402  
Les R. Bettencourt, *Managing Deputy Commissioner III*  
Consumer Information .....
  - 2201 Broadway, **Sacramento**  
Mailing Address: P.O. Box 187000, Sacramento, 95818-7000  
Charles W. Koenig, *Managing Deputy Commissioner III*  
Consumer Information .....
  - 1350 Front Street, Suite 3064, **San Diego**, 92101-3687  
J. Chris Graves, *Managing Deputy Commissioner II*  
Consumer Information .....

**SOUTHERN ENFORCEMENT AREA — DISTRICT OFFICES**

- Dolores Ramos, *Managing Deputy Commissioner IV*
- 320 W. 4th Street, Suite 350, **Los Angeles**, 90013-1105  
Maria Suarez, *Managing Deputy Commissioner III*  
Consumer Information .....

**SUBDIVISIONS**

- Sam Perrotti, *Assistant Commissioner, Subdivisions*
- 2201 Broadway, **Sacramento**  
Mailing Address: P.O. Box 187005, Sacramento, 95818-7005  
Chris Neri, *Managing Deputy Commissioner III*  
Consumer Information .....
  - 320 W. 4th Street, Suite 350, **Los Angeles**, 90013-1105  
Robert D. Gilmore, *Managing Deputy Commissioner IV*  
Consumer Information .....

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**Commissioners message**

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quirements, including that course content is consistent with what the DRE approved.

To further educate licensees, DRE Enforcement Deputies are now visiting brokers' offices on a random basis to survey their practices, help brokers to comply with the Real Estate Law and prevent potential violations that could be harmful to consumers and brokers alike.

**Escrow violations**

Due to newly enacted legislation, finding out about escrow violations is easier than ever. Individuals interested in determining whether a specific escrow company, title company escrow or real estate broker with an escrow division has been the subject of administrative action by the Department of Corporations, California Department of Insurance or the DRE can now visit any one of the three departments' Web sites to gain access to the information needed.

**Subdivisions**

In support of the Governor's housing policies, the DRE, continues to expedite all qualified affordable housing projects. Also, the Subdivision Section is revising the public report format, as well as, subdivision application forms and instructions to be more comprehensive and user-friendly.

These are just a few of the projects the DRE is working on in addition to the everyday services provided by our dedicated staff. I applaud their efforts and hope you will appreciate the results. Have a happy, healthy, prosperous, and energy-efficient summer! 🏡

**Most common enforcement violations**

The Department's Enforcement Section receives and processes a large number of complaints each year that are investigated and referred to the Department's Legal Section for disciplinary action. In many cases, the violations that resulted in disciplinary action could have been avoided if appropriate office procedures had been in place. The following is a list of the six most common violations of the Real Estate Law that have resulted in disciplinary action and some suggested remedies to avoid the violations. All references are to Sections of the California Business and Professions Code and the Regulations of the Real Estate Commissioner.

**Trust fund record keeping violations**

Trust fund handling and record keeping is one of the largest problem areas in the industry. We see case after case in which brokers handle trust monies on behalf of others and either convert the monies to their own use, or do not have the expertise to maintain proper accounting records and end up with short-

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## Predatory Lending Law to take effect July 1, 2002

**A**ssembly Bill 489 (Migden), as amended by Assembly Bill 344 (Migden), takes effect on July 1, 2002. The legislation, generally known as the Predatory Lending Law, adds Sections 4970 through 4979.8 to the California Financial Code and imposes restrictions and limitations on specified consumer loans secured by real property for which an application is made on or after July 1, 2002. The law defines *covered loan* as a consumer loan in which the original principal balance is less than \$250,000 and either the annual percentage rate or the total points and fees, as defined, exceed specified limits. A *consumer loan* is defined as a consumer credit transaction secured by real property located in this state that is used, or is intended to be used, as the principal residence of the consumer and is improved by one to four residential units. Consumer loans do not include reverse mortgages, open lines of credit (as defined), loans secured by rental property or second homes and bridge loans (as defined).

Covered loans arranged or made by real estate brokers, finance lenders, residential mortgage lenders, as well as commercial banks, industrial banks, savings associations and credit unions organized in this state are subject to the provisions of the Predatory Lending Law. It establishes remedies available to victims (borrowers) for a violation of its provisions and authorizes the licensing and regulatory agencies with jurisdiction over the person or entity making or arranging a covered loan to take license disciplinary action.

Some of the prohibited acts and limitations for covered loans are summarized below.

- ❖ Prepayment fees or penalties after the first thirty-six months after the date of the loan closing are prohibited. A prepayment penalty may be included for the first thirty-six months only under specified conditions.
- ❖ Loans with terms of five years or less must be fully amortized.
- ❖ Loans other than first liens may not include negative amortization. First lien loans may include negative amortization only with proper disclosure of the terms.
- ❖ Advance payments required to be paid from the proceeds are prohibited.
- ❖ Increases of the interest rate as the result of a default are prohibited.
- ❖ Persons originating covered loans must reasonably believe

that the consumer(s) obtaining the loan will be able to make the specified payments from resources other than the consumer's equity in the dwelling. The law establishes criteria upon which the person may rely.

- ❖ Payments from the proceeds of the loan made directly to contractors under a home-improvement contract are prohibited. Payments made jointly to the consumer and contractor or into a third-party escrow are allowed with specified requirements.
- ❖ Encouraging or recommending to the consumer to default on an existing loan or other debt is prohibited.
- ❖ A loan that contains a call provision that permits the lender, in its sole discretion, to accelerate the indebtedness unless under specified conditions, is prohibited.
- ❖ Refinancings that do not result in an identifiable, tangible benefit to the consumer are prohibited.
- ❖ A specified "Consumer Caution and Home Ownership Counseling Notice" must be given to the consumer no later than three days prior to the signing of the loan documents.
- ❖ Steering, counseling, or directing a consumer to accept a loan product with a risk grade less favorable than the consumer would otherwise qualify or with higher costs than the consumer would qualify is prohibited.

- ❖ Structuring the transaction as an open line of credit, or otherwise, in an attempt to avoid or circumvent the statute is prohibited.
- ❖ Acting in a manner that constitutes fraud is prohibited.

The law requires that any failure in compliance that is not willful be corrected not later than forty-five days after receipt of a complaint or discovery of the error. The law further provides for both substantial civil and administrative remedies against any person who willfully and knowingly violates the law.

This summary should not be construed as an all-inclusive description of the statute, and therefore, a complete and careful reading of the law is highly recommended.

The new law is available on the DRE Web site at [www.dre.ca.gov](http://www.dre.ca.gov) (see 2002 Real Estate Law, Excerpts from the California Codes, Financial Code §§4970–4979.8).

For more information regarding predatory lending and the loan process, please read "Protect Yourself in the Loan Process" on the Department's Web site at [www.dre.ca.gov](http://www.dre.ca.gov). It was developed as a guide to consumers to help keep them from falling prey to predatory lending practices and you may wish to recommend it to your clients.

For further information regarding the provisions of AB 489 and AB 344, you may call the Mortgage Lending Activities Unit at (916) 227-0770. 🏠

## Enforcement violations

*Continued from page 2*

ages in their trust accounts. To avoid problems in this area, all real estate brokers should be familiar with the following laws and regulations that govern the handling of trust funds by real estate brokers.

**Section 10145** — General statute governing the handing of trusts funds.

**Regulation 2831** — Maintaining columnar records of trust funds received.

**Regulation 2831.1** — Maintaining separate records for each beneficiary.

**Regulation 2831.2** — Performing monthly reconciliation of trust fund accounts.

**Regulation 2834** — Allowing unlicensed and unbonded signatories on a trust account.

### Remedy

Deficiencies in the area of trust fund records usually stem from one of two common deficiencies by real estate brokers.

The most common problem found among brokers who maintain poor trust fund records is a lack of knowledge of what the law requires in the area of trust fund record keeping and a lack of basic bookkeeping or accounting skills. Brokers often attempt to handle large amounts of trust funds without any specific training in the area. This often results in a trust fund disaster.

Brokers should understand that simply because they are able to handle large amounts of trust funds by virtue of their license, it doesn't necessarily follow that they should. Before accepting any trust funds, brokers should make sure that they have the proper knowledge and skills necessary to handle and account for the trust funds that are received in their business operations. The level of knowledge and skill that is necessary

will vary with the type of operation and the amount of trust funds that are handled. Brokers must be able to recognize the limitations of their knowledge and skills as their business operations expand and either get further training or hire professionals with appropriate training.

A second common problem found among brokers who maintain poor trust fund records is a general lack of supervision over their trust fund operations. It is common to find brokerage operations where the responsible broker has simply turned this aspect of the operation over to office personnel. A broker must always exercise vigilant and consistent oversight of the trust fund operation to ensure that there is compliance with the law.

The Real Estate Law is very specific as to how trust fund monies are to be handled and how records are to be maintained. Real estate brokers who handle trust fund monies have a responsibility to become experts in this area. A good place to start is by reviewing the DRE's publication entitled Trust Funds which is available on our Web site.

### Trust fund shortage violations

**Section 10145** — General statute governing the handling of trust funds.

**Regulation 2832** — Trust fund handling.

**Regulation 2832.1** — Trust fund shortages.

### Remedy

Often, trust fund shortages in brokerage operations are caused by poor record keeping and lack of control on the part of the responsible broker. The remedies to this problem were previously discussed.

Of even more concern than poor record keeping, are trust fund shortages resulting from the deliberate conversion for personal use by the broker or by employees

of the broker. When this occurs, it is taken very seriously. Real estate brokers who are found to have converted trust funds can be assured that disciplinary action will be taken against their license. Also, the potential for criminal prosecution exists.



### Failure to supervise violations

**Section 10177(h)** — As a real estate broker, failed to exercise reasonable supervision over the activities of salespersons, or as the officer of a corporation failed to exercise reasonable supervision over the activities conducted by the corporation for which a real estate license is required.

Lack of supervision on the part of a broker is a recurring problem. In case after case, the Department has to deal with the problem of real estate brokers becoming designated officers of corporations owned by salespersons or unlicensed individuals and then not properly supervising the operations.

While it is not illegal for brokers to become designated officers of corporations they do not own, they must remain mindful of their duty to supervise the licensed activities of the corporation. All too often, real estate brokers do not take this responsibility seriously and the public suffers as a result.

### Remedy

Brokers need to understand the responsibility that they take on when they become the designated officer of a corporation or allow a group of salespersons to work under their individual broker license. The absentee broker may find himself/herself not only the subject of a DRE disciplinary action, but also the subject of a civil lawsuit. In the end, the costs greatly outweigh any benefit received in the income that is usually paid for the use of a license.

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# Disciplinary Action — Sept. 2001 to Nov. 2001

- ✓ A list of actions is not published in this *Bulletin* until the 30-day period allowed for court appeal has expired, or if an appeal is filed and the disciplinary action is stayed, until the stay is dissolved. Names of persons to whom licenses are denied on application are not published.
- ✓ Licensees are listed alphabetically by the District Office region of responsibility.
- ✓ The license type is listed in parentheses after the licensee's name. [REB – Real

estate broker; RREB – Restricted real estate broker; RES – Real estate salesperson; RRES – Restricted real estate salesperson; PRLS – Prepaid rental listing service; RPRLS – Restricted prepaid rental listing service; REO – Real estate officer; REC – Real estate corporation]

- ✓ Below are brief summaries of various regulations and code sections. The full text of the sections is found in the Business and Professions Code and the Regulations of the Real Estate Com-

missioner, both of which are printed in the *Real Estate Law* book. The *Real Estate Law* book is available for purchase from the Department of Real Estate (see page 11 or DRE Web site).

- ✓ Disciplinary actions that are "stayed" means there is "a delay in carrying out" all or part of the recommended discipline.



## Commissioner's Regulations

- 2715 Licensee's failure to maintain current business or mailing address with DRE
- 2725 Failure to broker to exercise reasonable supervision over the activities of his or her salespersons
- 2726 Failure to have broker-salesperson agreements
- 2731 Unauthorized use of fictitious business name
- 2752 Broker's failure to notify DRE of salesperson employment
- 2753 Broker's failure to retain salesperson's license at main office or return the license
- 2800(a) Material change in subdivision offering
- 2800(p)(2) Material change - Failure to pay subdivision assessments
- 2831 Failure to keep proper trust fund records
- 2831.1 Inadequate separate trust fund beneficiary records
- 2831.2 Failure to reconcile trust account
- 2832 Failure to comply with trust fund handling provisions
- 2832(a) Failure of broker to place trust funds into hands of owner, into a neutral escrow depository or trust fund account within three business days of receipt
- 2832(e) Failure of broker acting as escrow holder to deposit trust funds in trust account by next business day following receipt
- 2832.1 Failure to obtain permission to reduce trust fund balance in a multiple beneficiary account
- 2834 Trust account withdrawals by unauthorized or unbonded person
- 2834(b) Unauthorized or unbonded person making withdrawals from corporate trust fund account
- 2835 Retention of broker funds in trust account
- 2840 Failure to give approved borrower disclosure
- 2950(d) Failure of broker handling escrows to maintain records and accounts
- 2950(f) Failure by broker handling escrow to deposit trust funds in trust account
- 2950(g) Broker-handled escrow disbursement without written instructions
- 2950(h) Failure to advise all parties of licensee's interest in agency holding escrow
- 2951 Improper record keeping for broker handled escrows

## Business and Professions Code

- 480(c) Denial of license on grounds of false statement in license app.
- 490 Substantially related criminal conviction
- 498 License obtained by fraud or misrepresentation
- 10130 Acting without license
- 10137 Unlawful employment or payment of compensation
- 10145 Trust fund handling
- 10145(a) Trust fund handling
- 10145(c) Failure by salesperson to deliver trust funds to broker
- 10146 Advance fee handling
- 10148 Failure to retain records and make available for inspection
- 10159.2 Failure by designated officer to supervise licensed acts of corporation
- 10159.5 Failure to obtain license with fictitious business name
- 10160 Failure to maintain salesperson licenses in possession of broker
- 10161.8 Failure of broker to notify Commissioner of salesperson employment
- 10161.8(a) Failure of broker to notify Commissioner of salesperson employment

- 10162 Failure to maintain a place of business
- 10163 Failure to obtain a branch office
- 10176(a) Making any substantial misrepresentation
- 10176(e) Commingling trust funds with brokers funds
- 10176(f) Exclusive listing agreement without definite termination date
- 10176(g) Secret profit or undisclosed compensation
- 10176(i) Fraud or dishonest dealing in licensed capacity
- 10176(j) Business opportunity listing violation
- 10177(a) Procuring a real estate license by misrepresentation or material false statement
- 10177(b) Conviction of crime
- 10177(d) Violation of real estate law or regulations
- 10177(f) Conduct that would have warranted denial of a license
- 10177(g) Negligence or incompetence in performing licensed acts
- 10177(h) Failure to supervise salespersons or licensed acts of corporation
- 10177(j) Fraud or dishonest dealing as principal
- 10177(k) Violation of restricted license condition
- 10177.5 Civil fraud judgment based on licensed acts
- 10229(h)(5) Failing to forward multi-lender accountant's report to DRE
- 10229(j)(3) Failure to file quarterly multi-lender trust account reports
- 10229(n) Failure to file annual multi-lender account reports
- 10229(o) Failure to file multi-lender threshold reports
- 10232 Failure to notify DRE of threshold status
- 10232.2 Failure to file or maintain trust fund status
- 10232.25 Failure to file trust fund status reports
- 10233 Failure of MLB to have written loan servicing contract
- 10240 Failure to give mortgage loan disclosure statement
- 10240(a) Failure to give mortgage loan disclosure statement
- 11012 Material change in subdivision offering without notifying DRE
- 11018.2 Sale of subdivision lots without a public report

## REVOKED LICENSES

### Fresno Region

- Garcia, Antonio Ines (REB)**  
426 N. Abby St., 2<sup>nd</sup> Floor, Fresno  
*Effective:* 2/28/02  
*Violation:* 10177(j)
- Sanchez, Alberto Romero (RES)**  
912 E. Hatch Rd., Modesto  
*Effective:* 12/26/01  
*Violation:* 498, 10177(a)

### Los Angeles Region

- Adibi, Lily (RES)**  
24302 Twig St., Lake Forest  
*Effective:* 1/30/02  
*Violation:* 490(a), 10177(b)
- Anano, James K. (REB, REO)**  
1122 S. La Cienega Blvd., #104, Los Angeles  
*Effective:* 2/28/02  
*Violation:* 10177(j)

### Baker, Johnny Lorenzo (RES)

6110 S. Budlong Ave.,  
Los Angeles  
*Effective:* 1/28/02  
*Violation:* 490, 10177(b)

### Barrios, German (RES)

8407 S. Vermont Ave.,  
Los Angeles  
*Effective:* 12/20/01  
*Violation:* 10130, 10145(c),  
10176(i), 10177(d)(g)

### Borado, Leopoldo Tinga (RES)

17821 Horst Ave., Artesia  
*Effective:* 12/4/01  
*Violation:* 10176(a), 10177(j)

### Burgess, Jason Leonard (RES)

8811 N. Coast Hwy., #77,  
Laguna Beach  
*Effective:* 2/4/02  
*Violation:* 490, 10177(b)

### Characky, Daniel Edward (RES)

17215 Elmdale Pl., Granada Hills  
*Effective:* 12/5/01  
*Violation:* 490, 10177(b)



**Corby, Russell Glenn (RES)**  
14514 Benefit St., Sherman Oaks  
Effective: 12/4/01  
Violation: 490(a), 10177(b)

**Crow, Kenneth R. (RES)**  
22422 Kathryn Ave., Torrance  
Effective: 12/31/01  
Violation: 490, 10177(b)

**Davoudi, Sean (REB)**  
1625 N. Beverly Glen Blvd.,  
Los Angeles  
Effective: 2/22/02  
Violation: 490, 10177(b)

**Derrostamian, Edwart (RES)**  
535 W. Glenoaks Blvd., Glendale  
Effective: 2/6/02  
Violation: 10177(g)

**Dillard, Kevin Ray (RES)**  
1565 Berkshire Dr., Palmdale  
Effective: 2/19/02  
Violation: 490, 10177(b)

**Edgington, John Joseph (REB)**  
7870 E. Menton Ave., Anaheim  
Effective: 12/6/01  
Violation: 490, 10177(b)

**Elizarraz, Joseph Charles (RES)**  
1745 Simsbury St., Palmdale  
Effective: 1/15/02  
Violation: 490, 10177(b)

**Fenster, Richard (REB)**  
5001 Birch St., Ste. 21,  
Newport Beach  
Effective: 2/25/02  
Violation: 490, 10177(b)

**Fialo, Guillermo P. (REB)**  
4800 E. Gage Ave., #104, Bell  
Effective: 12/6/01  
Violation: 2715, 10148, 10162,  
10165, 10177(d)

**Flevotomos, Dimitri S. (RES)**  
5240 Canoga Ave.,  
Woodland Hills  
Effective: 2/6/02  
Violation: 490, 10177(b)

**Guillory, Marjorie M. (RRES)**  
4477 Vermont, San Bernardino  
Effective: 12/3/01  
Violation: 10130, 10137,  
10176(i), 10177(d)(j)

**Gutierrez, Gino L. (REB, REO)**  
25602 Alicia Pkwy., #106,  
Laguna Hills  
Effective: 1/28/02  
Violation: 10137

**Hanson, Eddy Steven (RES)**  
212 44<sup>th</sup> St., Manhattan Beach  
Effective: 2/28/02  
Violation: 490, 10177(b)

**Int'l Millennium Group (REC)**  
4800-E Gage Ave., Bell  
Effective: 12/26/01  
Violation: 2731, 10177(d),  
10240(a)

**Kailani, Hadi Mahamid (REB)**  
261 E. Badillo St., Covina  
Effective: 1/14/02  
Violation: 490, 10177(b)

**King, Roxanne Mary (RES)**  
10644 Bellagio Rd., Los Angeles  
Effective: 12/4/01  
Violation: 490, 10177(b)

**Kwak, Deborah (REB)**  
660 Craighurst Terrace,  
Monterey Park  
Effective: 1/30/02  
Violation: 490, 10177(b)

**Letrong, Duc (RES)**  
7044 Brentwood Ln., Westminster  
Effective: 1/15/02  
Violation: 490, 10177(b)

**Salcedo, Elizabeth (RES)**  
1386 East 9<sup>th</sup> St., Upland  
Effective: 1/10/02  
Violation: 490, 10177(b)

**Salinas, Manuel Martin (RES)**  
12019 Garfield Ave., South Gate  
Effective: 1/24/02  
Violation: 490, 10145(c),  
10176(i), 10177(b)(d)(j),

**Southeast Broker Corporation  
(REC)**  
2655 W. La Habra Blvd.,  
La Habra  
Effective: 2/19/02  
Violation: 10165, 10177(d)

**Such, Robert Joseph (REB)**  
41-865 Boardwalk, Ste. 210,  
Palm Desert  
Effective: 12/27/01  
Violation: 490, 10177(b)

**The Maine Corporation (REC)**  
535 W. Glenoaks Blvd., Glendale  
Effective: 2/6/02  
Violation: 2731, 2831, 2831.1,  
2831.2, 2832.1, 2834, 2950(h),  
10145, 10148, 10163,  
10177(d)(g)

**Wiley, Lien L. (RES)**  
PO Box 1486, Simi Valley  
Effective: 12/3/01  
Violation: 10177.5

**Williams, Kimberly Rochelle (RES)**  
920 Martin Luther King Jr. Ave.,  
#305, Long Beach  
Effective: 1/3/02  
Violation: 498, 10177(a)

**Williams, Terry (RES)**  
11571 Aberdare St., Loma Linda  
Effective: 12/3/01  
Violation: 498, 10177(a)

**Zamorano, Felipe (RES)**  
1031 E. Elgenia Ave., W. Covina  
Effective: 1/7/02  
Violation: 10177(g)

### Oakland Region

**Bato, Lita Cabacungan (RES)**  
4182 Mission St., San Francisco  
Effective: 1/2/02  
Violation: 10131(b), 10176(i),  
10177(d)(j)

**Delay, Raymond Chester (RES)**  
P.O. Box 1948, Byron  
Effective: 1/25/02  
Violation: 10176(a)(i), 10177(g)

**Devargas, Inocencia Clemente (REB)**  
366 Gridley Ct., San Jose  
Effective: 1/2/02  
Violation: 490, 10177(b)

**Fenton, Robert Lawrence (REB)**  
129 Monte Vista Dr., Monterey  
Effective: 2/25/02  
Violation: 490, 10177(b)

**Hill, Ronald Hymel (RES)**  
3868 West St., Oakland  
Effective: 1/4/02  
Violation: 480(a), 498,  
10177(a)(b)

**McGraw, Jonathan David (RES)**  
124 Wilkie Dr., Walnut Creek  
Effective: 2/15/02  
Violation: 10145(c), 10176(e)(i),  
10177(d)

**Morris, Vera (RREB)**  
20675 A Forest Ave.,  
Castro Valley  
Effective: 1/3/02  
Violation: 10137, 10177(k)

### Sacramento Region

**Fong, Peter Wayne (REB)**  
1319 Travis Blvd., Ste. D,  
Fairfield  
Effective: 12/31/01  
Violation: 10177.5

**Frisby, Kathleen Ann (RES)**  
PO Box 697, Soda Springs  
Effective: 12/24/01  
Violation: 10177(j)

**Nahorn, William C. III (REB)**  
1035 W. Robinhood Dr., Ste. 301,  
Stockton  
Effective: 2/19/02  
Violation: 2715, 2831, 2831.1,  
2831.2, 2832.1, 10145, 10177(d)

**Van Patten, James Kevin (REB)**  
1220 Melody Ln., #180, Roseville  
Effective: 2/11/02  
Violation: 10148, 10177(d)

**Winkler, Karyn Elizabeth (RES)**  
505 Vansicklen Way, Redding  
Effective: 2/13/02  
Violation: 490, 10177(b)

### San Diego Region

**Balagtas, Ferdinand Monterey  
(RES)**  
10784 Sunset Ridge Dr.,  
San Diego  
Effective: 2/13/02  
Violation: 490, 10177(b)

**Read, Darren J. (RES)**  
4676 W. Point Lane Blvd., #4,  
San Diego  
Effective: 1/22/02  
Violation: 498, 10177(a)

**Zamir, Gad (RES)**  
13312 Caminito Ciera, #194, San  
Diego  
Effective: 1/9/02  
Violation: 498, 10177(a)

## REVOKED WITH A RIGHT TO A RESTRICTED LICENSE

### Fresno Region

**Howenstine, Ronald Scott (RES)**  
1702 Vine St., Paso Robles  
Effective: 2/14/02  
Violation: 498, 10177(a)  
Right to RRES license on terms  
and conditions

**Metro Property Management, Inc.  
(REC)**  
701 H St., Bakersfield  
Effective: 2/11/02  
Violation: 2832, 2834, 10145,  
10177(d)  
Right to RREC license on terms  
and conditions

**Powers, Darren Lawton (REB,  
REO)**  
701 H St., Bakersfield  
Effective: 2/11/02  
Officer of: Metro Property  
Management, Inc.  
Violation: 2725, 2832, 2834,  
10145, 10177(d)(g)(h)  
Right to RRES license on terms  
and conditions

### Los Angeles Region

**Adam, May Gunn (RES)**  
222 E. Highland Ave., #5,  
San Bernardino  
Effective: 1/8/02  
Violation: 2831, 2831.1, 2831.2,  
10145(a), 10177(d)(g)  
Right to RRES license on terms  
and conditions

**Bhandari, Amrit G. (REB)**  
20 Choate St., Irvine  
Effective: 12/12/01  
Violation: 2731, 10177(d)(g)  
Right to RRES license on terms  
and conditions

**Chukhian, Sona (RES)**  
519 E. Windsor Rd., #2, Glendale  
Effective: 2/6/02  
Violation: 10177(g)  
Right to RRES license on terms  
and conditions

**Delacruz, Dom Bulalayao (REB,  
REO)**  
23752 S. Main St., Carson  
Effective: 12/5/01  
Violation: 2831, 2840, 10137,  
10176(a), 10177(d)(g)(h), 10240  
Right to RRES license on terms  
and conditions

**Fenstemaker, David Michael (RES)**  
7044 Brentwood Ln., Westminster  
Effective: 1/17/02  
Violation: 10177(b)  
Right to RRES license on terms  
and conditions

**Gonzalez, Jose Francisco Jr. (RES)**  
680 N. Cliffwood Ave., Brea  
Effective: 12/3/01  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Hsiao, Huey Jye (RES)**

556 W. Las Tunas Dr., Arcadia  
*Effective:* 1/2/02  
*Violation:* 10130, 10177(d)  
 Right to RRES license on terms and conditions

**Linares, Francisco William (RES)**

8232 Shadyside Ave., Whittier  
*Effective:* 1/29/02  
*Violation:* 10177(j)  
 Right to RRES license on terms and conditions

**Pino, Antonio (RES)**

637 E. Victoria Ave., Montebello  
*Effective:* 2/28/02  
*Violation:* 10177(j)  
 Right to RRES license on terms and conditions

**Sergi, Frank John (RES)**

11417 Miller Rd., Whittier  
*Effective:* 1/24/02  
*Violation:* 490, 10177(b)  
 Right to RRES license on terms and conditions

**Torres, Jaime (RES)**

17300 Signature Dr., Granada Hills  
*Effective:* 12/10/01  
*Violation:* 490, 10177(b)  
 Right to RRES license on terms and conditions

**Oakland Region****Gonzalez, Guillermo Ignacio (RES)**

P.O. Box 2412, Alameda  
*Effective:* 1/31/02  
*Violation:* 10176(a)(i), 10177(g)  
 Right to RRES license on terms and conditions

**Mulugeta, Benyam (REB)**

578 University Ave., Palo Alto  
*Effective:* 2/5/02  
*Violation:* 10130, 10137, 10177(d)  
 Right to RREB license on terms and conditions

**Silva, Thomas Richard (REB, REO)**

21758 Princeton St., Hayward  
*Effective:* 1/24/02  
*Officer of:* Thomas R. Silva & Company  
*Violation:* 2832, 2832.1, 10145, 10176(e)(i), 10177(d)  
 Right to RREB license on terms and conditions

**Thomas R. Silva & Co. (REC)**

21758 Princeton St., Hayward  
*Effective:* 1/24/02  
*Violation:* 2832, 2832.1, 10145, 10176(e)(i), 10177(d)  
 Right to RREC license on terms and conditions

**Valverde, Alfred Efren (REB)**

613 First St., Brentwood  
*Effective:* 1/25/02  
*Violation:* 10176(a)(i), 10177(g)(h)  
 Right to RREB license on terms and conditions

**Sacramento Region****Jones, Sherry Ione (REB)**

2301 Main St., Susanville  
*Effective:* 2/14/02  
*Violation:* 10177(d), 11018.2  
 Right to RREB license on terms and conditions

**Swift, Odette (REB)**

708-789 Sunnyside Rd., Janesville  
*Effective:* 2/14/02  
*Violation:* 10177(d), 11018.2  
 Right to RREB license on terms and conditions

**Wilson, Gary Lynn (RREB)**

18141 Hwy. 108, Jamestown  
*Effective:* 2/14/02  
*Violation:* 2725, 2831, 2831.2, 2832, 2832.1, 10137, 10145, 10177(d)(h)(k)  
 Right to RRES license on terms and conditions

**San Diego Region****Clark, Robert Neil (RES)**

PO Box 230566, Encinitas  
*Effective:* 2/14/02  
*Violation:* 10130, 10177(d)  
 Right to RRES license on terms and conditions

**Fletcher, Kari Walden (REB)**

12544 High Bluff Dr., Ste. 420, San Diego  
*Effective:* 2/7/02  
*Violation:* 2831, 2831.1, 2831.2, 2832, 10145, 10177(d)(g)(h)  
 Right to RREB license on terms and conditions

**Holtz, Beverly Margaret (RES)**

525 Paseo Del Bosque, Vista  
*Effective:* 1/17/02  
*Violation:* 10177(g)  
 Right to RRES license on terms and conditions

**Messick, Jim C. (RES)**

8605 Sandstone Dr., Santee  
*Effective:* 12/17/01  
*Violation:* 490, 10177(b)  
 Right to RRES license on terms and conditions

**Mitchell, Alphonso (REB)**

2505 Division St., Ste. L, National City  
*Effective:* 1/28/02  
*Violation:* 2752, 2831, 2831.1, 2831.2, 2832, 2835, 10145, 10148, 10161.8, 10177(d)  
 Right to RREB license on terms and conditions

**Pizza, Gregory (REB)**

7030 Avenida Encinas, #100, Carlsbad  
*Effective:* 2/6/02  
*Violation:* 2731, 2831, 2831.2, 2832, 2832.1, 10145, 10148, 10159.5, 10176(f), 10177(d)  
 Right to RREB license on terms and conditions

**SUSPENDED WITH STAY****Los Angeles Region****Crane, Lawrence Edward (REB, REO)**

151 Kalmus Dr., Ste. M-2, Costa Mesa  
*Effective:* 12/26/01  
*Violation:* 2831, 2831.1, 2831.2, 2834, 10137, 10145, 10161.8, 10177(d)(h), 10240  
 Suspended for 90 days-all but 10 days stayed for 2 years on terms and conditions

**Eastridge Investment Corporation (REC)**

1060 North 13<sup>th</sup> Ave., Upland  
*Effective:* 12/27/01  
*Violation:* 10177(g)  
 Suspended for 30 days-stayed for 2 years on terms and conditions

**Stoneman Corporation (REC)**

100 Wilshire Blvd., Ste. 2080, Santa Monica  
*Effective:* 12/4/01  
*Violation:* 10176(a)  
 Suspended for 60 days-30 days stayed for 1 year on terms and conditions

**Temple, Hubert Alfred (REB)**

100 Wilshire Blvd., Santa Monica  
*Effective:* 12/4/01  
*Officer of:* Stoneman Corporation  
*Violation:* 10176(a)  
 Suspended for 30 days-stayed for 1 year on terms and conditions

**Topete, Ignacio J. (RES)**

1072 Groff St., Pomona  
*Effective:* 12/27/01  
*Violation:* 10177(g)  
 Suspended for 60 days-stayed for 2 years on terms and conditions

**Toyama, David S. (REB)**

2122 Colorado Blvd., Los Angeles  
*Effective:* 2/20/02  
*Violation:* 10177(g)  
 Suspended for 30 days-stayed for 2 years on terms and conditions

**Wilson, William Kirk (REB, REO)**

1060 North 13<sup>th</sup> St., Upland  
*Effective:* 12/27/01  
*Officer of:* Eastridge Investment Corporation  
*Violation:* 10177(g)  
 Suspended for 30 days-stayed for 2 years on terms and conditions

**Oakland Region****Alain Pinel Realtors, Inc. (REC)**

12772 Saratoga Sunnyvale Rd., Ste. 1000, Saratoga  
*Effective:* 2/5/02  
*Violation:* 10137  
 Suspended for 90 days-stayed for 2 years on terms and conditions

**Nelson, Jasleen (RES)**

2781 Doidge Ave., Pinole  
*Effective:* 12/10/01  
*Violation:* 10130, 10177(d)

Suspended for 120 days-60 days stayed for 2 years on terms and conditions

**Temple, Hubert Alfred Jr. (RES)**

103 Church St., West Orange, NJ  
*Effective:* 12/4/01  
*Violation:* 10176(a)  
 Suspended for 60 days-30 days stayed for 1 year on terms and conditions

**Sacramento Region****Butte Mortgage Loan Company (REC)**

2120 Lincoln St., Oroville  
*Effective:* 1/9/02  
*Violation:* 10130, 10177(d)(f), 10229(j)(3), 10229(n)(o), 10232(a)(c), 10232.25, 10233  
 Suspended for 180 days-80 days stayed for 2 years on terms and conditions

**Word, LeRoy (RES)**

2120 Lincoln St., Oroville  
*Effective:* 1/9/02  
*Violation:* 10130, 10177(d)  
 Suspended for 180 days-120 days stayed for 2 years on terms and conditions

**San Diego Region****Evangelista, Lloyd Cruz (RES)**

2727 Camino Del Rio South, Ste. 127, San Diego  
*Effective:* 1/9/02  
*Violation:* 10177.5  
 Suspended for 180 days-stayed for 2 years on terms and conditions

**Molon, Manolo Mistica (REB)**

550 East 8<sup>th</sup> St., Ste. 1, National City  
*Effective:* 1/9/02  
*Violation:* 10177.5  
 Suspended for 180 days-stayed for 2 years on terms and conditions

**PUBLIC REPROVAL****Los Angeles Region****Manfredi, Everett Louis (REB)**

30713 Riverside Dr., Lake Elsinore  
*Effective:* 12/26/01  
*Violation:* 10177(g)

**McKoy, George Christopher (RES)**

31120 Riverside Dr., Lake Elsinore  
*Effective:* 12/26/01  
*Violation:* 10177(g)



**LICENSE SURRENDERED**

(Licenses voluntarily surrendered per B&P Code §10100.2 during an administrative action or investigation)

**Los Angeles Region****Borrego, Cesar (RES)**

8515 Passons Ave., Pico Rivera  
Effective: 2/28/02

**Campos, John Manuel (RES)**

19240 Shakespeare, Walnut  
Effective: 2/28/02

**CKP Investment, Inc. (REC)**

8682 Beach Blvd., #201,  
Buena Park  
Effective: 10/24/01

**Hernandez, William L. (RES)**

861 W. Honeywood Ln.,  
La Habra  
Effective: 2/28/02

**Lilly, Raymond R. (REB, REO)**

28146 Haria, Mission Viejo  
Effective: 12/27/01

**Moya, Rene J. Jr. (REB)**

9550 Firestone Blvd., Ste. 100,  
Downey  
Effective: 12/26/01

**Neighbarger, Charles Edward (REB)**

1400 E. Cooley Dr., #102, Colton  
Effective: 12/11/01

**Nguyen, Lauren (RES)**

211 Crest, Huntington Beach  
Effective: 10/17/01

**Nguyen, Vicky Thao (RES)**

1313 W. Memory Ln., #306,  
Santa Ana  
Effective: 10/17/01

**Oheb, Tamir (REB)**

18840 Ventura Blvd., Ste. 216,  
Tarzana  
Effective: 1/3/02

**Palaferrri, Matthew Joseph (RES)**

2044 Garden Ln., Costa Mesa  
Effective: 12/5/01

**Rawal, Meena (RES)**

17853 Santiago Blvd., Villa Park  
Effective: 2/13/02

**Sierra Financial, Inc. (REC)**

9113 Foothill Blvd., Ste. 180,  
Rancho Cucamonga  
Effective: 12/26/01

**Westchester Financial Services (REC)**

3701 Highland Ave., Ste. 303,  
Manhattan Beach  
Effective: 12/27/01

**Oakland Region****Eisenberg, Bruce Edward (REB)**

5855 Calpine Dr., San Jose  
Effective: 1/3/02

**Grenier, Albert A. (REB, REO)**

929 El Camino Real, San Mateo  
Effective: 1/31/02  
Officer of: Prime Group Ltd.,  
Inc.

**J & R Mortgage, Inc. (REC)**

929 S. El Camino Real,  
San Mateo  
Effective: 1/31/02

**Loughridge, Bruce Edward (RES)**

54 Malta Dr., San Francisco  
Effective: 1/2/02

**Munir, Arketha (REB)**

347 Corbett Ave., San Francisco  
Effective: 2/20/02

**Prime Group, Ltd. (REC)**

99 Hillcrest Ave., Pittsburg  
Effective: 1/31/02

**Rattray, Chris Lee (REB, REO)**

929 S. El Camino Real,  
San Mateo  
Effective: 1/31/02  
Officer of: J&R Mortgage, Inc.

**Sacramento Region****Robison, George C. (REB, REO)**

2120 Lincoln St., Oroville  
Effective: 1/9/02  
Officer of: Butte Mortgage Loan  
Company

**Ryan-Helmick, Stacy H. (RES)**

223 W. Carlton Way, #3, Tracy  
Effective: 2/20/02

**INDEFINITE SUSPENSIONS**

(under Recovery Acct.  
provisions)

**Academia, Tomasito Zamora (REB)**

4929 Wilshire Blvd., #800, Los  
Angeles  
Effective: 12/13/01

**Daly, Frank Joseph (REB)**

12759 Poway Rd., Ste. 102,  
Poway  
Effective: 1/29/02

**Davis, Kent Ivan (REB)**

PO Box 4243, Malibu  
Effective: 1/4/02

**Gonzalez, Jose (RES)**

PO Box 2847, Bell Gardens  
Effective: 1/4/02

**Leshen, Glenn Rivamonte (RES)**

14226 Stoney Gate Pl., San Diego  
Effective: 12/13/01

**Martinez, Felipe (RES)**

8970 Cypress Ave., South Gate  
Effective: 1/4/02

**Moreno, Jose Angel (RES)**

12002 1/2 Atlantic Ave.,  
Lynwood  
Effective: 1/4/02

**Navarro, Henry Medina (REB)**

7340 E. Florence Ave., #109,  
Downey  
Effective: 1/4/02

**Statewide Home Loan Corporation (REC)**

475 Laurel Canyon Blvd., #300,  
North Hollywood  
Effective: 12/13/01

**West Coast Home Loan (REC)**

4929 Wilshire Blvd., 8th Fl., Los  
Angeles  
Effective: 12/13/01

**Enforcement violations**

Continued from page 4

**Unlicensed activity violations**

**Section 10130** — Unlicensed activity; and

**Section 10137** — Unlawful employment or payment to an unlicensed individual or to a real estate salesperson who is not employed by the broker.

The real estate licensing requirement is the cornerstone to providing consumer protection to the purchasers of real property and those persons dealing with real estate licensees (Section 10050). Therefore, the enforcement of these requirements must be vigorous. Real estate brokers who pay unlicensed individuals for performing acts that require a real estate license will be disciplined and held accountable to pay appropriate fines and penalties.

**Remedy**

Real estate brokers should establish systems within their offices to ensure that salespersons working for them complete their continuing education, renew their licenses on time, and do not continue to work in the event that their license expires.

**Misrepresentation violations**

**Section 10176(a)** — Making a substantial misrepresentation in a transaction for which a real estate license is required.

**Remedy**

The failure by licensees to disclose material facts to principals in real estate transactions is a continuing problem. Licensees should remember the simple admonition — *When in doubt, disclose, and do it in writing.*

**Criminal conviction violations**

In addition to the above-referenced violations, individuals are very often either denied licenses or disciplined by the Department for failing to disclose a criminal conviction on an application for licensure [Sections 10177(a) and 480(c)], and for being convicted of a substantially related criminal offense [Section 10177(b)].

**Remedy**

The one remedy that should be discussed in connection with criminal convictions is that persons applying for a real estate license should take great care to disclose all past criminal convictions. If the conviction is not disclosed, DRE will find out and the applicant's chances of receiving a license will be diminished as a result of their nondisclosure. 🏠



## License renewal reminder

**T**oday's real estate market offers many opportunities for licensees. Letting your license expire will prevent your participation as a licensee.

Is your license coming up for renewal? It is important to keep track of your license expiration date. If your license expires, you may not conduct activities which require the license until the license renewal process is complete and a new license is issued.

### *Licensee's responsibility*

Each licensee is responsible for timely filing a renewal application, continuing education information, and renewal fee. As a courtesy, the DRE sends a pre-printed renewal application to each licensee's mailing address of record approximately 60 to 90 days prior to the license expiration date. Even if the renewal application is not received, licensees are still responsible to keep track of when their licenses expire and to make arrangements to file for renewal before the date of expiration. Renewal application materials may be obtained 24 hours a day at the DRE Web site [www.dre.ca.gov](http://www.dre.ca.gov) (click on Forms, Licensing), by fax from the DRE interactive voice response system at (916) 227-0931, or during normal business hours at any DRE District Office.



### *Submit before expiration date*

If a renewal application, on-time renewal fee, and good faith evidence of completion of continuing education are mailed prior to the license expiration date, the licensee is authorized to continue conducting licensed activities under Section 10156.2 of the Business and Professions Code, until the renewed license is issued. If there is a deficiency, the licensee will either be granted an extension in writing to correct the problem or, depending on the nature of the problem, be advised that licensed activities must cease either on the license expiration date or five days from the date of the notice, whichever date is later.

### *Salesperson still responsible*

If at the time of renewal a salesperson intends to be employed by a broker, it is required that the broker complete the appropriate portion of the renewal application. If a salesperson turns the renewal documents over to an employing broker, caution should be exercised to ensure that the application is signed by the broker and filed before the license expiration date. On occasion, salespersons have experienced problems when relying on employing brokers to file their renewal application. In some

cases, the broker failed to file the application and supporting documents prior to the license expiration date thereby subjecting the salesperson to a late renewal fee and preventing the salesperson from performing licensed activities until the renewal license was issued. The best way to avoid these potential problems is to be certain that all the necessary information is completed on the renewal application and submit all forms and the renewal fee to DRE 30 to 60 days prior to the license expiration date. Salespersons should follow up with their employing brokers to ensure their renewal application is filed in a timely manner.

Remember, by personally making sure that your renewal application is timely filed, you will retain the ability to conduct licensed activities and avoid the risk of possible late fees or even disciplinary action for unlicensed activity. 🏠

### *Trust Funds*

## Escheat to the State

**R**eal estate licensees should be aware that the following trust funds escheat to the state under California's Unclaimed Property Law (Code of Civil Procedure Section 1518 et. seq.):

- Beneficiary Accounts with no activity for more than three years, including escrow funds, earnest money deposits, or other trust funds received by the licensee from clients in connection with transactions for which a real estate license is required.
- Unexplained trust fund overages held in the account for more than three years, such as overages caused by undetected bank and/or accounting errors that over time become too impractical to detect and correct.
- Trust account checks issued but uncashed for over three years, shown in the licensee's bank reconciliation as outstanding checks.

Unclaimed property must be reported to the State Controller's Office by November 1 each year. Further information on the Unclaimed Property Law including *Reporting Instructions for Holders of Unclaimed Property* is available on the State Controller's Web site [www.sco.ca.gov](http://www.sco.ca.gov). 🏠

## Need an article from a previous issue?

I read a *Bulletin* article about ... a year or so ago, but can't find my copy. In what issue was it published?" The index below provides a quick reference for articles published during Fall 2000—Spring 2002.

Back issues of the *Real Estate Bulletin* (starting with Spring 2000) are available on the DRE Web site: [www.dre.ca.gov](http://www.dre.ca.gov). Older issues may be requested from: Department of Real Estate, Publication Unit, PO Box 187000, Sacramento CA 95818-7000.

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# Real Estate Publications

## Purchase information

DRE publications may be purchased/ordered by mail, by fax, by phone, or in person. (Refer to specific payment methods below.)

For your convenience, most publications are available at no cost on our Web site at <http://www.dre.ca.gov>.

**By mail** — Photocopy or remove this page from your *Bulletin*. Complete Parts A, B, and C (if appropriate). Mail it with the proper fee to: Department of Real Estate, Book Orders, P.O. Box 187006, Sacramento, CA 95818-7006

**By fax** — Complete Parts A, B, and C. Fax form to (916) 227-0361.

**By phone** — Have credit card information ready, then call Book Order desk at (916) 227-0853.

**In person from District Office** — Complete Parts A, B, and C (if appropriate). Offices are located in Sacramento, Los Angeles, Oakland, Fresno, and San Diego.

## Acceptable payment methods

- Personal check, cashier's check or money order should be made payable to: Department of Real Estate.
- VISA and MasterCard credit cards may be used to purchase DRE publications.
- Cash is acceptable only if purchasing in person and only if it's the exact amount of purchase.

## California sales tax

Use 7.25% tax rate, unless purchase location or delivery address is in the following counties: Alameda (8.25%), Fresno (7.875%), Los Angeles (8.25%), Sacramento (7.75%), and San Diego (7.75%). Requests and fees will be returned if the appropriate sales tax is not included.

## Miscellaneous information

- Prices are subject to change.
- Orders received with incorrect payments will be returned.
- **All sales are final — no refunds.**
- Allow 4–6 weeks for delivery.
- Volume discounts are available. Contact DRE at (916) 227-0853 prior to ordering.

### PART A SHIPPING INFORMATION

DRE	RE#	Title of Publication	Cost	Quantity	Your Cost
	1	Reference Book — A Real Estate Guide (Rev. 2000)	\$20		
	2	2002 Real Estate Law Book	\$20		
	2C	2002 Real Estate Law Book CD (Compatible with Adobe Acrobat Reader)	\$20		
	–	Real Estate Law — Book AND CD	\$35		
	6	Disclosures in Real Property Transactions	\$10		
	8	Operating Cost Manual for Homeowner Associations	\$10		
	25	Reserve Study Guidelines for Homeowner Association Budgets	\$10		
	4	Instructions to License Applicants	free		
	13	Trust Funds	free		
	34	A Guide for Residents Purchasing Their Mobilehome Park	free		
	35	Trust Deed Investments — What You Should Know!!	free		
	35A	Using the Services of a Mortgage Broker	free		
	39	Living in a California Common Interest Development	free		
	51	A Consumer Guide to Filing Real Estate Complaints	free		
	52	Reverse Mortgages — Is One Right for You?	free		

PART B SHIPPING INFORMATION		
SHIPPING NAME	LICENSE OR EXAM ID#	
SHIPPING ADDRESS		
CITY	STATE	ZIP CODE
SUBTOTAL		\$ _____
CA SALES TAX*		\$ _____
(Tax rate used* _____ %)		
TOTAL ENCLOSED		\$ _____
* See tax information above.		

### PART C CREDIT CARD PURCHASE

**To purchase publication by credit card, complete the following:**

METHOD OF PAYMENT	ACCOUNT NUMBER	EXPIRATION DATE OF CARD
<input type="checkbox"/> VISA <input type="checkbox"/> MASTERCARD	_____	____/____
AMOUNT AUTHORIZED	SIGNATURE OF CARDHOLDER	DATE
_____	»	_____
	PRINTED NAME OF CARDHOLDER	TELEPHONE NUMBER
	_____	_____

**Address Service Requested**

**Postal Carrier:**

- Bar code used by DRE to scan returned Bulletins
- Please do not deface or cover

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## Untapped market opportunities

from the California Housing Finance Agency

The California Housing Finance Agency (CHFA) is the state's affordable housing bank, making below market rate loans to low and moderate income home buyers. You don't work with "low income" you say, much less "government" programs? Take a closer look and you may be surprised.

- CHFA (pronounced Chaf-fuh) was chartered 26 years ago as the State's mortgage bank. Nearly one billion dollars in CHFA homeowner loans were made during calendar year 2001 which helped 7,680 Californians become homeowners with loans typically ½ to ¾ basis points below market rate.
- Seventeen years ago, CHFA earned Standard and Poor's "top-tier" agency designation

and has maintained this distinction ever since.

- CHFA loans are *not* made with tax dollars; the agency is self supporting through the sale of mortgage bonds. There are no subsidies involved.
- Depending on the county, "moderate" income limits for a family of three range from about \$70,000–\$80,000. In three high cost counties (San Mateo, Santa Clara and San Francisco) income limits range from \$99,000–\$110,500.
- "First Time Homebuyer" in CHFA's definition is a person that hasn't owned his or her own home for at least three years. A potential customer who has owned homes in the past will still qualify if at least three years has elapsed.

- Both 100% and 103% loans are available at CHFA and were pioneered by California Housing Loan Insurance Fund (CaHLIF) — the mortgage insurance arm of CHFA.
- The 100% loan, known as California Housing Assistance Program (CHAP), assisted about 3,000 Californians with down payment needs of around \$12 million dollars in calendar year 2001.
- More than half of CHFA loans are made in California's higher cost areas.
- CHFA training for your lenders is available throughout the state by calling 1-800-323-8718. Additional program information is available on CHFA's Web site at [www.chfa.ca.gov](http://www.chfa.ca.gov). 🏠