



REAL ESTATE BULLETIN

Arnold Schwarzenegger, Governor
Sunne Wright McPeak, Secretary, Business, Transportation, & Housing Agency
Jeff Davi, Real Estate Commissioner

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

Department of Real Estate

Winter 2004

Commissioner's Message

As my first message to industry, I would like to say thank you. Thank for your support and confidence. I am also thankful for having chosen real estate as my profession as it has allowed me to achieve success and to be active in the community. Not all professions provide the kind of flexibility that one can have when he or she is a licensed real estate salesperson, broker or mortgage broker.

I am involved in state government at a very critical time and I am proud to have been appointed by Governor Schwarzenegger to help him in his current effort to restore our great State. I have joined a group of talented and terrific people who all work at the Department of Real Estate. Individuals who understand your needs as licensees and who want to help. During this past year, the Department was faced with many challenges. The licensee population has now risen to a record

411,000. This is occurring during a time of limited government resources. The DRE, in spite of these challenges, under the leadership of John Liberator, Acting Commissioner and now my Chief Deputy Commissioner, was able to reduce license origination processing time from an average of 180 days to 77, and work continues to reduce that number even further. In addition, the Department has a significant enforcement workload as well. In this regard, I am proud to report the Department has been able to reduce the processing times for the related investigations and enforcement actions. Further, in spite of an increase in subdivision filings, the Department has been able to reduce approval time frames, which is noteworthy.

I am personally committed to continuing the effort to decrease time lines and to address the growing concerns of the many licensees out in the field. As you might expect, enforcement activity is up as a result of the increase in licensees. In this regard, the Depart-

ment will continue in its efforts to enforce the real estate law and protect consumers. In addition, I plan to continue to advance the Department in the area of technology, whenever possible. Currently, the use of the eLicensing system by licensees has continued to increase and that type of online system is a perfect example of how the Department can become more efficient and more accessible to its licensee population.

I embark in this position as your new Commissioner with enthusiasm, energy and a sincere desire to work with an industry that has given me so much. Again, I want to thank you for this opportunity and encourage you to communicate with me as to your thoughts or advice. 🏠



Commissioner
Jeff Davi

DRE Bulletin Enters the 21st Century

In furtherance of California State Government's advancement into a 21st century organization and to promote the continuing effort to streamline and maximize government efficiency, the Department of Real Estate will soon be changing its delivery medium of the *Real Estate Bulletin*. Beginning with the summer 2005 Edition, real estate bulletins will be offered in electronic format rather than by mail. In this way, DRE is fostering practical changes that will increase the efficiency and effectiveness of state government. More information will be forthcoming in the Spring 2005 *Real Estate Bulletin*.

To tell the truth

The following is a story that hopefully, is not common in the real estate industry. It involves a real estate salesperson who, in an effort to get an offer from her buyer accepted, was willing to embellish the truth in a way that she thought would never be discovered. Unfortunately for her, the buyer did not perform as promised, and she was left with a transaction that quickly unraveled and more trouble on her hands than she may have thought possible.

The story begins with a real estate

salesperson representing a buyer who made an offer to purchase a residential property. At the time the offer was made, the buyer gave the salesperson his assurance that he would provide a \$15,000 earnest money deposit the following day. In presenting the offer that night, the agent represented to the seller that the buyer had tendered a \$15,000 check made payable to a local title company toward the purchase of the property. Further, the agent stated that the buyer's current property, upon

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STATE OF CALIFORNIA

Arnold Schwarzenegger, *Governor*

BUSINESS, TRANSPORTATION AND HOUSING AGENCY

Sunne Wright McPeak, *Secretary*

DEPARTMENT OF REAL ESTATE

Jeff Davi, *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*
Chris Neri, *Assistant Commissioner, Subdivisions*
Fa-Chi Lin, *Chief Auditor*
William E. Moran, *Assistant Commissioner, Enforcement*
Barbara Bigby, *Asst. Commissioner, Administrative Services*
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Thomas R. Hensley, *Managing DC IV, Licensing & Exams*
Betty R. Ludeman, *Managing DC IV, Education*
vacant, *Managing DC III, 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**, 94612-1462
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

M. Dolores Weeks, *Managing Deputy Commissioner IV*

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

SUBDIVISIONS

Chris Neri, *Assistant Commissioner, Subdivisions*

- 2201 Broadway, **Sacramento**
Mailing Address: P.O. Box 187005, Sacramento, 95818-7005
vacant, *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

CALIFORNIA RELAY TELEPHONE SERVICE

(For the deaf and hearing impaired)

| | |
|------------------------|----------------|
| From TDD phone | 1-800-735-2929 |
| From voice phone | 1-800-735-2922 |

Completing paperwork properly pays off

Paperwork can be considered one of the drudgeries of life. Filling out DRE forms and applications is a chore that, for many licensees, may fall into that category. Levels of frustration often arise when your paperwork was “deficient” and you need to redo it.

Deficient applications negatively impact overall processing timeframes for everyone as they cause double work. Last fiscal year (July, 2003 – June, 2004), approximately 39% (45,000) of the original and renewal applications submitted to the DRE were incomplete or needed clarification.

To avoid incomplete forms/applications altogether, use the **eLicensing online system** at www.dre.ca.gov whenever possible. If you must submit a paper form/application, following these suggestions will help you get your DRE paperwork done efficiently.

- Use and follow the checklists provided with original and renewal applications.
- Submit the correct form to request license changes:
 - Salespersons should only use the Salesperson Change Application (RE 214)
 - Brokers should only use the Broker Change Application (RE 204)
 - Corporations should use the Corporation Change Application (RE 204A)
- Provide all information requested on the application and answer all questions completely.
- Submit the correct fee amount. Current fees are listed on the DRE Web site at www.dre.ca.gov/fees.htm. Refunding excess fees and writing for insufficient fees unnecessarily increases the DRE’s workload. Last fiscal year, it took the equivalent of six full time DRE staff members to process the thousands of refunds which resulted from the submission of incorrect fees.
- Personal checks are accepted for payment of fees.
- Provide all required supporting documentation including Proof of Legal Presence for original license applications and continuing education course information for renewals.
- If a fictitious business name (DBA) is listed on the application, be sure to include the original or a copy of the Fictitious Business Name Statement filed with the county clerk in the county where your main office is located and stamped “Filed” and “Certified.”
- Obtain appropriate authorized signatures. Note, only licensed broker officers may sign documents on behalf of a corporation.
- Make sure employing brokers sign salesperson documents. Salespeople renewing with the same employing broker must have that employer sign the salesperson renewal application.
- Provide telephone numbers where requested. If we can call you, some questions can be quickly resolved or issues can be explained.
- Submit applications only once. Often times an application is faxed *and* mailed in or entered into eLicensing *and* mailed in.

Special tips for corporations

- Include the current Certificate of Status/Certificate of Good Standing or Articles of Incorporation with the application submittal.
- The person applying for the corporation license must sign the Corpora-

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To tell the truth

Continued from page 1

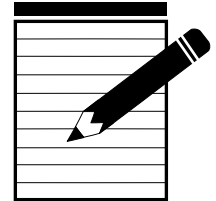
which the sale was contingent, had been listed with her and was in escrow with an anticipated closing date about six weeks away. In reliance upon the representations from the agent, the seller accepted the offer over other competing offers that were presented at the same time.

Over the next week, the selling agent pleaded with the buyer for the \$15,000 deposit. In spite of her repeated requests, the check never came. It wasn't long before the listing agent became curious because escrow had not been opened. When the listing agent began making inquiries, she discovered that the \$15,000 earnest money deposit had not been made. In addition, she learned that the buyer's contingent property was not in escrow. In fact, it had not even been placed on the market. The truth was that the selling agent had relied upon the buyer's word that a deposit would be tendered the following day and had embellished the information on the buyer's contingent property in an attempt to get the offer accepted.

Needless to say, when the truth was discovered, the transaction fell through. A complaint was filed with the Department of Real Estate. After investigation, an accusation was filed and disciplinary action was taken against the selling agent for the misrepresentations that were made; and against her broker for failing to supervise the transaction as to the receipt of the \$15,000 deposit.

In a fast moving real estate market, it can be tempting for licensees to cut corners and make seemingly harmless misrepresentations in an effort to get an offer accepted. When a licensee embellishes the truth, it is often under the belief that all will be made right the following day, and no one will ever find out. All too often, this kind of thinking is the beginning of the road to disaster for everyone involved in the transaction. To avoid these consequences, licensees should remember to always be factual, disclose everything and do it in writing. 🏠

The Real Estate Recovery Account



The Department of Real Estate's Recovery Account is a victim's fund which began operating on July 1, 1964. The purpose of the Recovery Account is to provide limited reimbursement to consumers for losses sustained in real estate transactions because of the dishonesty of licensed real estate brokers or salespersons. The Recovery Account is funded from a portion of the license fees paid to the Department of Real Estate by brokers and salespersons. Between July 1, 1964 and June 30, 2004, the Recovery Account has paid out \$35,450,491 to 1,768 victims.

In general, an applicant for payment from the Recovery Account must obtain a final judgment against a person who was licensed by the Department of Real Estate at the time of the transaction which resulted in the loss. That judgment must be based on intentional fraud or conversion of trust funds. The transaction in which the victim was defrauded must have been one in which the licensee was doing something which required a real estate license. In other words, the licensee must have been acting as an agent in between an independent buyer and seller, borrower and lender, or property owner and lessee. If the licensee was acting as a principal in the transaction, for example, if the licensee was the seller of the property, or the borrower of the funds, he or she did not really require a real estate license to participate in the transaction. He or she was not acting as a *licensee*, or as an *agent*, but as a *party* to the transaction. The victim, now a *judgment creditor* or applicant, must then make reasonable efforts to collect on the judgment against all defendants and other persons liable in the transaction. At a minimum, that requires the applicant to demonstrate that the licensee, now a *judgment debtor*, and all other persons liable do not have an interest in any real property within California with sufficient equity which could be attached by proper court processes. The applicant must also serve a copy of the entire recovery account application on the judgment debtor/licensee by methods prescribed in the Business and Professions Code. Finally, the application must be received by the Department of Real Estate no later than one year after the qualifying judgment became final. That calculation requires an understanding of the specific time

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Completed paperwork

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tion License Application (RE 201) as well as the Officer Certification on page 2 and/or the Regulation 2746 Certification on page 3.

- Carefully read and provide detailed answers to questions 16–18 of the Corporation License Application (RE 201), list a main office address, and provide a title for the corporate officer.

Keep your mailing address up to date

Commissioner's Regulation 2715 requires real estate licensees to maintain a current address(es) with the DRE. If your mailing address is incorrect, you may not receive important communica-

tions including a courtesy reminder that it is time to renew your license and the *Real Estate Bulletin*. Please check your public license record on the DRE Web site at www.dre.ca.gov/licstats.htm to make sure your address(es) is correct. If you need to change it, use eLicensing for immediate results or submit the proper change application (RE 214 for salespersons; RE 204 for brokers; RE 204A for corporations).

Help us to serve you better and process all applications faster by taking an extra minute to review applications for these common problems; check the fee to make sure it is the correct and current fee; and review the check lists provided with the renewal and original applications to ensure all supporting documents are enclosed. Thank you. 🏠

Summary of 2004 Legislation

August 31, 2004 marked the end of a two-year legislative session during which 5,823 bills and resolutions were introduced. The following brief legislative summaries are of significant 2004 legislation affecting real estate licensees and subdividers. These summaries are intended to alert you to pertinent changes to the law. We encourage you to consult the statutes for complete information. Copies of the bills can be obtained online at www.leginfo.ca.gov. Please note that "SB" refers to a Senate bill and "AB" to

an Assembly bill. The name appearing after the bill number is the name of the author. All statutes are effective January 1, 2005 unless otherwise noted.

AB 920 (Nakano) — Disclosures (Chapter 66)

AB 920 updates real estate disclosure forms to: 1) reflect recent changes regarding the disclosure of nearby airports, 2) clarify disclosure requirements regarding nearby industrial use, 3) provide for use of a consultant's report for natural hazard disclosures, and 4) indi-

cate when the information in the Natural Hazard Disclosure Statement is based on the transferor's or agent's personal knowledge and when it is based on information provided by an independent third-party disclosure provider as a substitute disclosure. *The California Association of Realtors sponsored AB 920.*

AB 1836 (Harman) — Common Interest Developments (Ch. 754)

Current law allows a homeowner, a homeowners' association (HOA), or both to file a civil action in order to enforce the declaration of covenants, conditions and restrictions (CC&Rs) of the common interest development. Existing law also requires that the parties endeavor to submit their dispute to a form of alternative dispute resolution (ADR) such as mediation or arbitration prior to filing a civil action. AB 1836 expands the rights of a homeowner or association to pursue enforcement from just the CC&Rs to other governing documents of the association such as the bylaws, operating rules of the association, articles of incorporation or articles of association. This bill also modifies the ADR requirements. *AB 1836 implements a California Law Revision Commission recommendation.*

AB 2007 (Assembly Business and Professions Committee Bill) — DRE Reserves (Chapter 676)

AB 2007 increases the Department of Real Estate's (DRE) reserve cap. In addition, the bill requires that the Department's licensing and subdivision fees revert to statutory minimums if monies are loaned from the DRE's reserves to the General Fund. This measure will help stabilize DRE's fee structure, increase the department's reserves and reduce the likelihood of future loans from the DRE's Special Fund to the General Fund. Increased reserves will also allow the department to be more responsive to workload increases and needs and implement long term program and information technology initiatives.

Recovery account

Continued from page 3

limits for that particular judgment to be appealed. Those time limits differ from state courts to federal courts, including bankruptcy court.

As a general rule, each application for payment is different. However, in 1987 the law defining a qualifying judgment was amended to include a *criminal restitution order*. When a criminal case against a licensee for fraud or embezzlement results in a sentence which includes restitution to one or more of the licensee's victims, that part of the sentence is known as a *criminal restitution order*.

Over the past several years, the Department's Recovery Account Unit has received an increasing number of applications from victims who have been awarded restitution in criminal cases. In one case currently pending, there are approximately 75 victims included in a criminal restitution order against a real estate broker convicted of fraud. The total amount of restitution ordered is approximately \$2,200,000. Since the Recovery Account's limit of liability as to one licensee is only \$100,000 those funds must be prorated among all of the victims who submit timely qualifying applications. Those victims who want to participate in any proration of funds may have to pay additional court filing fees if it is determined that a formal court proration action is required. But when the num-

ber of victims is manageable, all of the otherwise qualifying victims may agree to limit their aggregate claims to no more than \$100,000 and thereby preclude a formal proration action in court.

When an application for payment from the Recovery Account is granted, any current license or license rights held by the licensee / judgment debtor will be suspended immediately upon payment, and will remain suspended until the amount paid from the Recovery Account is paid back with 10% interest.

The staff of the Recovery Account Unit is located in the Department's Sacramento office. Their task is to process and track applications, and to make sure that each applicant provides all of the information required by law to qualify for payment. If the requirements are met, the Commissioner will grant the application up to a maximum of \$20,000 for one transaction, and possibly up to a maximum of \$100,000 per licensee, if there are multiple qualifying transactions.

Further information about the Recovery Account is available on the DRE Web site www.dre.ca.gov (click on Consumers, Recovery Account Information and Forms). If you have questions about the Recovery Account which are not answered, you can contact the Recovery Account Unit at (916) 227-0789. 🏠

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Disciplinary Action — June–August 2004



- ✓ 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 available on the DRE Web site www.dre.ca.gov under Real Estate Law and/or Regulations.
- ✓ 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 of 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 |
| 2731(b) | Failure to comply with requirements in using a nickname |
| 2740 | Performing licensed acts by corporation without a designated officer |
| 2752 | Broker's failure to notify DRE of salesperson employment |
| 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 |
| 2832.1 | Failure to obtain permission to reduce trust fund balance in a multiple beneficiary account |
| 2834 | Trust account withdrawals by unauthorized or unbonded person |
| 2835 | Retention of broker funds in trust account |
| 2840 | Failure to give approved borrower disclosure |
| 2846.5(a) | Failure to comply with annual trust fund accounts review requirements |

Business and Professions Code

| | |
|----------|--|
| 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(b) | Failure to properly handle trust funds when broker is acting as a principal in a mortgage loan |
| 10145(c) | Failure by salesperson to deliver trust funds to broker |
| 10159.2 | Failure by designated officer to supervise licensed acts of corporation |
| 10161.8 | Failure of broker to notify Commissioner of salesperson employment |
| 10162 | Failure to maintain a place of business |
| 10176(a) | Making any substantial misrepresentation |
| 10176(e) | Commingling trust funds with brokers funds |
| 10176(g) | Secret profit or undisclosed compensation |
| 10176(i) | Fraud or dishonest dealing in licensed capacity |
| 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 |

| | |
|------------|---|
| 10177.5 | Civil fraud judgment based on licensed acts |
| 10232.2 | Failure to file or maintain trust fund status |
| 10232.2(a) | Failure to provide independent audit reports |
| 10232.25 | Failure to file trust fund status reports |
| 10233 | Failure of MLB to have written loan servicing contract |
| 10234(a) | Failure to record trust deed in name of beneficiary |
| 10234(c) | Failure to record trust deed in name of beneficiary within 10 days after close of escrow |
| 10240 | Failure to give mortgage loan disclosure statement |
| 11013.4 | Failure to comply with conditions with respect to delivery of title to a subdivision interest |
| 11018.1 | Failure to give public report |
| 11018.2 | Sale of subdivision lots without a public report |
| 11022(a) | False subdivision advertising |

REVOKED LICENSES

Fresno Region

Renois, Karen Kay (RES)

206 H St., Bakersfield
Effective: 7/30/04
Violation: 10130, 10137, 10177(d)

Los Angeles Region

Belvedere Holding Corporation (REC)

12873 Mountain Ave., Ste. A-2, Chino
Effective: 7/29/04
Violation: 2715, 2731, 2834, 10145, 10159.5, 10162, 10165, 10177(d)(g)

Houston, Lynn Anne Renee (RES)

561 Hampshire Rd., Westlake Village
Effective: 8/9/04
Violation: 490, 10177(b)

Judd, Wendy Jo (RES)

19744 Beach Blvd., #234, Huntington Beach
Effective: 8/3/04
Violation: 498, 10177(a)

Lee, Jim Sheng (RES)

317 W. Main St., #407, Alhambra
Effective: 8/5/04
Violation: 490, 10177(b)

Link, Stephen Craig (RES)

217 Pollock Ln., Ventura
Effective: 7/13/04
Violation: 490, 10177(b)

Nauta, Paul Edward (RES)

40930 California Oaks Rd., Murrieta
Effective: 8/17/04
Violation: 490, 10177(b)

Perez, Jesse D. (RES)

12873 Mountain Ave., Ste. A-1, Chino
Effective: 7/29/04
Violation: 10177(j)

Pittman, John Robert (REB)

42095 Kaffirboom Ct., Temecula
Effective: 7/8/04
Violation: 490, 10177(b)

Ponce, Anthony Joseph (RES)

6413 Belen St., Long Beach
Effective: 8/10/04
Violation: 490, 10177(b)

Proctor, James Scott III (RES)

3271 Woodstock Rd., Los Alamitos
Effective: 8/3/04
Violation: 490, 10177(b)

Rick, Russell M. (REB)

2426 Cazaux Pl., Los Angeles
Effective: 8/5/04
Violation: 10177(f)(j)

Rieth, Michael Gregory (RRES)

9917 Walker St., Cypress
Effective: 8/5/04
Violation: 490

Tablas, Enio Ruben (RES)

1155 W. Central Ave., #112, Santa Ana
Effective: 7/21/04
Violation: 490, 10177(b)

**Wozny, Eileen Michelle (RES)**

37909 Pratt Rd., Temecula
Effective: 8/31/04
Violation: 490, 10177(b)

Zapfen, Anthony T. (RES)

15321 Del Prado Rd., Hacienda Heights
Effective: 8/2/04
Violation: 490, 10177(b)

Zhang, Lei (RES)

P.O. Box 3341, South El Monte
Effective: 6/17/04
Violation: 490, 10177(b)

Oakland Region**Arruda, Denise Marie (RES)**

140 Ramona Rd., Portola Valley
Effective: 8/6/04
Violation: 490, 10177(b)

Hazen, Robert Douglas (RES)

170 Westwich St., Danville
Effective: 7/12/04
Violation: 10177(f)

Lathan, Milton Dean (REB)

3320 Grand Ave., Oakland
Effective: 7/21/04
Violation: 498, 10177(a)(f)(j)

Nishinaka, Wayne Iwao (RES)

PO Box 60435, Palo Alto
Effective: 7/30/04
Violation: 490, 10177(b)

Ponce, Frank Anthony (RES)

1928 Contra Costa Blvd., Pleasant Hill
Effective: 8/3/04
Violation: 490, 10177(b)

Sanchez, Ingrid Esther (RES)

236 W. Portal Ave., #190, San Francisco
Effective: 8/9/04
Violation: 490, 498, 10177(a)(b)

Silva, Susana D. (REB)

490 Alvarado St., Monterey
Effective: 7/19/04
Violation: 10176(i)

Spear, Adam M. (RES)

2472 Encinal Dr., Walnut Creek
Effective: 7/22/04
Violation: 490, 10177(b)

Westlund, James Alan (REB)

3018 El Monte Ct., Antioch
Effective: 8/26/04
Violation: 490, 10177(b)

Sacramento Region**Loos, Aaron Daniel (RES)**

PO Box 826, Carmichael
Effective: 8/30/04
Violation: 10137, 10177(d)

Medlin, Rainer Michael (RES)

6929 Sunrise Blvd., Citrus Heights
Effective: 6/4/04
Violation: 490, 10177(b)

Sherman, Joseph Arch (RES)

PO Box 4595, Davis
Effective: 7/30/04
Violation: 490, 10177(b)

Wusstig, Rudy Sablan (RES)

1943 Trumpet Dr., Redding
Effective: 8/2/04
Violation: 490, 10177(b)

San Diego Region**A M D Enterprises, Inc. (REC)**

1507 Gold Rush Way, Oceanside
Effective: 7/22/04
Violation: 2832, 10177(d), 10240

Bracamonte, Carlos (RES)

565 A Casselman St., Chula Vista
Effective: 6/8/04
Violation: 490, 10177(b)

Caruso, Peter (RES)

7911 Herschel Ave., #200, La Jolla
Effective: 6/2/04
Violation: 10176(a)(i)

D R Horton San Diego Management Co., Inc. (REC)

1010 S. Coast Hwy, #101, Encinitas
Effective: 7/9/04
Violation: 10177(d)(g), 11013.4, 11018.1, 11018.2, 11022(a)

Dubin, Konstantin Anatoyevich (RES)

325 1/2 8th St., Del Mar
Effective: 8/31/04
Violation: 490, 10177(a)

Oakley, Verne Allen (RES)

PO Box 20265, El Cajon
Effective: 7/26/04
Violation: 10176(i), 10177(d)

Peter Caruso Real Estate, Inc. (REC)

7911 Herschel Ave., #200, La Jolla
Effective: 6/2/04
Violation: 10176(a)(i)

Rodriguez, Hector (RES)

453 Oaklawn Ave., #G, Chula Vista
Effective: 8/3/04
Violation: 490, 10177(b)

Scholfield, Joseph R. (REB)

1507 Gold Rush Way, Oceanside
Effective: 7/22/04
Violation: 10177(h)

REVOKED WITH A RIGHT TO A RESTRICTED LICENSE**Fresno Region****Gonzalez, Rogelio Pablo (RES)**

159 10th St., McFarland
Effective: 6/22/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Kuplent, John (RES)

23912 Martingale Way, Tehachapi
Effective: 8/26/04
Violation: 10130, 10137, 10145(c), 10177(d)
Right to RRES license on terms and conditions

Los Angeles Region**Balasuriya, Thilina (RES)**

1512 E. Broadway St., Long Beach
Effective: 8/25/04
Violation: 10130, 10145(c), 10177(d)
Right to RRES license on terms and conditions

Ellis, Andrew Lee (RES)

3825 Howard Ave., Los Alamitos
Effective: 8/26/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Foster, Russell Lee (RES)

730 Parkcenter Dr., #67, Santa Ana
Effective: 6/23/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Fung, Ju Cheng Jerry (REB)

2379 Hacienda Blvd., Hacienda Heights
Effective: 8/31/04
Violation: 10177(f)
Right to RREB license on terms and conditions

Futter, Timothy Paul (RES)

9705 SVL Box, Victorville
Effective: 7/22/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Garcia, Lilia (RES)

8073 Dowd Ct., Fontana
Effective: 7/12/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Hilman, Maria Teresa (REB)

7918-N El Cajon Blvd., #257, La Mesa
Effective: 8/23/04
Violation: 10130, 10177(d)
Right to RREB license on terms and conditions

Hocking, Brent David (RES)

1565 N. Coast Hwy, Laguna Beach
Effective: 7/28/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Hurtado, Gilbert Joseph (RES)

6280 Kinlock Ave., Rancho Cucamonga
Effective: 8/12/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions; RRES license suspended for 90 days

Leonard, Nancy O. (RES)

1001 Tamarisk West St., Rancho Mirage
Effective: 8/11/04

Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Maselle, Barry Kiel (RES)

712 N. Lucia, #A, Redondo Beach
Effective: 8/20/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Menendez Oliva, Xiomara (RES)

15475 Shadybend Dr., Hacienda Heights
Effective: 7/28/04
Violation: 10130, 10177(d)
Right to RRES license on terms and conditions

Miranda, Jorge Armando (RES)

1616 East 4th St., #260, Santa Ana
Effective: 7/15/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Quinn, DuShon Pontia (RES)

1701 East D St., #1508, Ontario
Effective: 8/9/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Salazar, Tony (RES)

10725 Rose Dr., Whittier
Effective: 8/31/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Segelman, Eric Allan (RES)

413 California St., #B, Huntington Beach
Effective: 7/21/04
Violation: 10177(a)
Right to RRES license on terms and conditions

Sheedy, Mark Timothy (RES)

213 Pomona St., Monrovia
Effective: 8/26/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Skinner, Darryl Edward (RES)

21002 Hagerstown Circle, Huntington Beach
Effective: 8/17/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Spector, Charles Joseph Jr. (RES)

387 S. Coast Hwy, Laguna Beach
Effective: 6/8/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Stone, Diane Darius (RES)

PO Box 4197, Palm Springs
Effective: 7/13/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Thomas, Dean Allen (RES)

814 El Redondo, Redondo Beach
Effective: 7/22/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions



at www.dre.ca.gov

The fastest, easiest way to manage your real estate license!*

Brokers

- ⓔ Add/Change Main Office Address
- ⓔ Certify Salesperson Employment
- ⓔ Terminate Salesperson Employment
- ⓔ Renew License
- ⓔ Request Duplicate License
- ⓔ Change Mailing Address
- ⓔ Receive the Real Estate Bulletin Electronically

Salespersons

- ⓔ Add/Change Employing Broker
- ⓔ Change Mailing Address
- ⓔ Renew License
- ⓔ Receive the Real Estate Bulletin Electronically

Exam Services

- ⓔ Reschedule exam date
- ⓔ Apply to re-take an exam
- ⓔ Change exam mailing address
- ⓔ View exam records
- ⓔ Check scheduled exam date, time and location
- ⓔ Request duplicate schedule notice
- ⓔ View exam results
- ⓔ Request duplicate results notice
- ⓔ See if license has been issued

*You must have an existing examination record or license on file with the DRE to use eLicensing.

Thornton, Richard Cecil (REB)
10543 Gunn Ave., Whittier
Effective: 6/24/04
Violation: 2725, 2831, 2831.1, 2831.2, 2832, 2832.1, 10145, 10177(d)(g)(h)
Right to RREB license on terms and conditions

Todorovich, Alex (REB)
128 N. Citrus Ave., #D, Covina
Effective: 8/4/04
Violation: 10177(g)
Right to RREB license on terms and conditions

Torres, Gloria Ann (RES)
4272 Avon St., Riverside
Effective: 5/13/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Walters, Walter A. (RREB)
5095 Via Donaldo, Yorba Linda
Effective: 8/3/04
Violation: 2831, 2831.1, 2831.2, 2832.1, 2835, 10145, 10177(d)(g), 10232.2, 10233
Right to RRES license on terms and conditions

Wang, Wei Zhong (RES)
300 N. Bushnell, #6, Alhambra
Effective: 7/13/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Wilson, Marian Genevieve (REB)
2008 Via Solona, San Clemente
Effective: 8/3/04
Violation: 490, 10177(b)
Right to RREB license on terms and conditions

Oakland Region

Alameda Mortgage Corporation (REC)
780 San Ramon Valley Blvd., Danville
Effective: 6/9/04
Violation: 10137, 10177(b)(d)
Right to RREC license on terms and conditions

Alton Management Corp. (REC)
2934 Telegraph Ave., Oakland
Effective: 8/10/04
Violation: 2726, 2834, 10137, 10145, 10161.8, 10177(d)
Right to RREC license on terms and conditions

Barbic, Benjamin Alan (RES)
23460 Morrill Rd., Los Gatos
Effective: 7/29/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Cassil, Rob (REO)
1704 Union St., San Francisco
Effective: 7/23/04
Violation: 2831.1, 2831.2, 2832.1, 10145
Right to RREO license on terms and conditions

Grant, Eppie Eusebio (RES)
828 N. El Camino Real, #7, San Mateo
Effective: 6/21/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Hawthorne Stone R E Investments, Inc. (REC)
1704 Union St., San Francisco
Effective: 7/23/04
Violation: 2831.1, 2831.2, 2832.1, 10145
Right to RREC license on terms and conditions

Hickenbottom, Jody Lynn (RES)
PO Box 33291, Los Gatos
Effective: 8/16/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Jones, Robert Scott William (RES)
142 Joaquin Ave., San Leandro
Effective: 7/22/04
Violation: 490(a), 10177(b)
Right to RRES license on terms and conditions

Karleskind, John Peter Jr. (REB, REO)
780 San Ramon Valley Blvd., Danville
Effective: 6/9/04
Officer of: Alameda Mortgage Corporation
Violation: 2725, 10137, 10177(d)(h)
Right to RREB license on terms and conditions

Kirkland, Royal Dock (REB)
412 Roble Ave., Pinole
Effective: 7/22/04
Violation: 10176(a)(i), 10177(d)(g)
Right to RREB license on terms and conditions

Kumnick, Robert Scott Jr. (RES)
5960 Stoneridge Dr., #101, Pleasanton
Effective: 6/10/04
Violation: 490
Right to RRES license on terms and conditions

Li, Li (RES)
2775 Sunbonnet Ct., San Jose
Effective: 7/21/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Luke, Hugo Joseph (RES)
925 Gull Ave., Foster City
Effective: 6/25/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

McKeith, Anne T. (RES)
3256 Montecito Dr., San Jose
Effective: 8/16/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Sargiotto, John Anthony (RES)
36042 Caxton Pl., Fremont
Effective: 6/13/04
Violation: 10130, 10137, 10177(d)
Right to RRES license on terms and conditions

Tapia, Karlos (RES)
772 North 1st St., San Jose
Effective: 7/26/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Valdivia, Alexis Mae (REB, REO)
44 Foxridge Rd., Oroville
Effective: 8/10/04
Violation: 2725, 10177(d)(h)
Right to RREB license on terms and conditions

Vendl, Daniel Joseph (REB)
96 Shell Pl., Discovery Bay
Effective: 7/12/04
Violation: 490, 10177(b)
Right to RREB license on terms and conditions

Sacramento Region

Crouch, William George (RES)
P.O. Box 8193, Citrus Heights
Effective: 7/29/04
Violation: 10130, 10137, 10177(d)
Right to RRES license on terms and conditions

Ferris, Frank Joseph (REB)
2235 Park Center Circle, Sacramento
Effective: 8/2/04
Violation: 10177(f)
Right to RREB license on terms and conditions



**Karimian, Julie Ann (REB)**

2101 Tennessee St., Vallejo
Effective: 5/6/04
Violation: 2831.2, 2832, 2832.1, 10145, 10176(e), 10177(d)
 Right to RREB license on terms and conditions; RREB license suspended for 30 days

Manzenko, Vladimir (RES)

7429 Patrick's Ln., #56, Citrus Heights
Effective: 7/22/04
Violation: 490, 10177(b)
 Right to RRES license on terms and conditions

Trust Home Loans, Inc. (REC)

770 Plumas St., Yuba City
Effective: 7/12/04
Violation: 2842(c), 2846.5(a), 10177(d), 10232.2(a), 10232.25
 Right to RREC license on terms and conditions

Whittle & Whittle Property Management, Inc. (REC)

285 W. Court St., #102, Woodland
Effective: 8/12/04
Violation: 2832, 2832.1, 2834, 10130, 10145, 10177(d)
 Right to RREC license on terms and conditions

Whittle, Elvin Mahlon (REB, REO)

285 W. Court St., #102, Woodland
Effective: 8/12/04
Violation: 2832, 2832.1, 2834, 10130, 10145, 10177(d)
 Right to RREB license on terms and conditions

Wirsing, Mark M. (REB)

3840 Arden Way, Sacramento
Effective: 6/7/04
Violation: 490
 Right to RREB license on terms and conditions

San Diego Region**Alli, Mohamed S. (RES)**

1175 El Camino Real, #261, Oceanside
Effective: 6/8/04
Violation: 490, 10177(b)
 Right to RRES license on terms and conditions

American Home Marketing, Inc. (REC)

5694 Mission Center Dr., Ste. 603, San Diego
Effective: 8/26/04
Violation: 2831, 2831.1, 2834, 2835, 10145, 10176(e), 10177(d)
 Right to RREC license on terms and conditions

Campos, Marcelo Andres (RES)

1429 Hornblend St., San Diego
Effective: 6/3/04
Violation: 490, 498, 10177(a)(b)
 Right to RRES license on terms and conditions

Evans, Cheryl Ann (RES)

PO Box 3533, Incline Village
Effective: 4/29/04
Violation: 10177.5
 Right to RRES license on terms and conditions

Fagan, John Christian (REB)

237 Elkwood Ave., #E, Imperial Beach
Effective: 8/24/04
Violation: 490, 10177
 Right to RREB license on terms and conditions

Grimes, Mulvie William II (RES)

PO Box 3197, La Jolla
Effective: 8/2/04
Violation: 490, 10177(b)
 Right to RRES license on terms and conditions

Newton, Jennifer J. (REB, REO)

16486 Bernardo Center Dr., Ste. 338, San Diego
Effective: 6/7/04
Officer of: The Walters Home Management Co.
Violation: 10177(h)
 Right to RREB license on terms and conditions

Peck, Steven Douglas (RES)

999 N. Pacific St., Ste. B-315, Oceanside
Effective: 6/2/04
Violation: 490, 10177(b)
 Right to RREB license on terms and conditions

Spectrum Property Management, Inc. (REC)

8799 Balboa Ave., Ste. 260, San Diego
Effective: 4/29/04
Violation: 10177.5
 Right to RREC license on terms and conditions

Swanson, Robert Justus (REB, REO)

5075 Shoreham Pl., Ste. 100, San Diego
Effective: 8/26/04
Violation: 2831, 2831.1, 2835, 10145, 10176(e), 10177(d)
 Right to RREB license on terms and conditions

The Walters Home Management Company (REC)

16486 Bernardo Center Dr., Ste. 338, San Diego
Effective: 6/7/04
Violation: 2752, 2831, 2831.1, 2831.2, 2832.1, 2834, 10145, 10161.8, 10176(g), 10177(d)
 Right to RREC license on terms and conditions

SUSPENDED WITH STAY**Fresno Region****Baker, Ronald Keith (REB)**

610 13th St., Modesto
Effective: 7/30/04
Violation: 2831.2, 2832(a), 2832.1, 10145, 10177(d)
 Suspended for 60 days-stayed for 2 years on terms and conditions

Diedrich, Donald A. (REB)

2605 Cheshire Dr., Bakersfield
Effective: 7/30/04
Violation: 2725, 2831, 2831.1, 2831.2, 2832.1, 2834, 10145, 10177(d)(g)(h)
 Suspended for 150 days-stayed for 2 years on terms and conditions

Los Angeles Region**Capital Commercial Real Estate Services, Inc. (REC)**

16001 Ventura Blvd., Ste. 200, Encino
Effective: 8/24/04
Violation: 2831.2, 10145, 10177(d)
 Suspended for 60 days-stayed for 2 years on conditions

Gold, Richard Steven (REB)

1011 5th St., #3, Santa Monica
Effective: 8/24/04
Officer of: Capital Commercial Real Estate Services, Inc.
Violation: 10159.2, 10177(d)
 Suspended for 120 days-stayed for 2 years on conditions

Henson, Monte Warren (RES)

3580 Wilshire Blvd., #1820, Los Angeles
Effective: 8/25/04
Violation: 10130, 10177(d)
 Suspended for 120 days-stayed for 2 years on terms and conditions

Mendez, Miguel (REB)

11472 South St., Cerritos
Effective: 7/28/04
Violation: 10137
 Suspended for 90 days-stayed for 1 year on terms and conditions

Metro Serendib Corp. (REB)

1512 E. Broadway St., Long Beach
Effective: 8/26/04
Violation: 2731(b), 2740(a), 10130, 10177(d)(f)
 Suspended for 60 days-stayed for 2 years on conditions

Mirrafati, David J. (REB, REO)

1101 Bryan Ave., Ste. E, Tustin
Effective: 8/5/04
 Suspended Indefinitely
Violation: 2832, 10145, 10177(d)
 Suspended for 120 days-stayed for 2 years

Oakland Region**RMRF Enterprises, Inc. (REC)**

15700 Winchester Blvd., Los Gatos
Effective: 7/28/04
Violation: 10145(b), 10177(d), 10232.2, 10234(a)(c)
 Suspended for 60 days-stayed for 2 years on terms and conditions

Shaw, Daniel Joseph (REO)

15700 Winchester Blvd., Los Gatos
Effective: 7/28/04
Violation: 10177(h)
 Suspended for 60 days-stayed for 2 years on terms and conditions

Sacramento Region**Bear River Mortgage Company, Inc. (REC)**

7931 Sunset Ave., Ste. A, Fair Oaks
Effective: 8/13/04
Violation: 2831, 2831.1, 2832, 2835, 10145, 10177(d)
 Suspended for 150 days-stayed for 2 years on conditions

Guild-West Investors, Inc. (REC)

4955 Pacific St., Ste. A, Rocklin
Effective: 7/22/04
Violation: 2832, 2834, 10145, 10177(d)
 Suspended for 180 days-stayed for 2 years on terms and conditions

Kooi, Richard Frederic (REB)

7932 Sunset Ave., Ste. A, Fair Oaks
Effective: 8/13/04
Officer of: Bear River Mortgage Company, Inc.
Violation: 2831, 2831.1, 2832, 2835, 10145, 10177(d)(g)
 Suspended for 150 days-stayed for 2 years on conditions

Mattson, Kellie Corine (REO)

4955 Pacific St., Ste. A, Rocklin
Effective: 7/22/04
Violation: 10177(h)
 Suspended for 180 days-stayed for 2 years on terms and conditions

Teja, G. Dave (REB, REO)

670 Joy Way, Ste. A, Yuba City
Effective: 8/11/04
Violation: 10159.2, 10177(d)(g)(h)
 Suspended for 50 days-stayed for 2 years on terms and conditions; suspended indefinitely

San Diego Region**D R Horton San Diego Holding Company, Inc. (REC)**

5927 Priestly Dr., Ste. 200, Carlsbad
Effective: 7/9/04
Violation: 10177(d)(g), 11013.4, 11018.1, 11018.2, 11022(a)
 Suspended for 90 days; 50 days stayed for 2 years on condition

Eidon, Inc. (REC)

9988 Hibert St., Ste. 104, San Diego
Effective: 7/29/04
Violation: 2831, 2831.1, 2831.2, 2840, 10137, 10145, 10177(d)(g), 10240
 Suspended for 50 days-stayed for 2 years on terms and conditions

Leone, Ray (REB, REO)

2760 Las Palmas Ave., Escondido
Effective: 8/26/04
Violation: 10159.2, 10177(d)(h)
 Suspended for 60 days-stayed for 2 years on terms and conditions

Tebbetts, Harold Charles (REB, REO)

7876 Hemingway Ave., San Diego
Effective: 7/29/04
Violation: 10130, 10177(d)
 Suspended for 50 days-stayed for 2 years on terms and conditions

Wagner, Richard Myron (REB, REO)
 9988 Hibert St., Ste. 104,
 San Diego
Effective: 7/29/04
Officer of: Eidon, Inc.
Violation: 2831, 2831.1, 2831.2,
 2840, 10137, 10145,
 10177(d)(g)(h), 10240
 Suspended for 50 days-stayed for
 2 years on terms and conditions

Winetrou, Clarence A. III (REB, REO)
 10828 Ironwood Rd., San Diego
Effective: 6/9/04
Violation: 10177(h)
 Suspended for 60 days-stayed for
 1 year

INDEFINITE SUSPENSIONS
(under Recovery Acct. provisions)

Fresno Region

Dalyce, Dawn (REB)
 605 Standiford Ave., Ste. D,
 Modesto
Effective: 6/23/04

Los Angeles Region

Allstate Mortgage Company (REC)
 16330 San Antonio Dr., Norwalk
Effective: 6/23/04

Brito, Ron Lee (RES)
 1920 E. Alosta Ave., Glendora
Effective: 7/13/04

Chen, Jamie (RES)
 10227 Green St., Temple City
Effective: 8/2/04

Glendora Mortgage, Inc. (REC)
 1920 E. Alosta Ave., Glendora
Effective: 7/13/04

Romero, Yolanda Del Prado (REB)
 8132 Firestone Blvd., Ste. 918,
 Downey
Effective: 6/4/04

Vakis, Andrew (RES)
 8361 E. Florence Ave., #206,
 Downey
Effective: 6/4/04

Oakland Region

California Loan Servicing, Inc. (REC)
 39275 Mission Blvd., Ste. 104,
 Fremont
Effective: 7/2/04

Davis, Robert L. (REB)
 420 Front St., Ste. 1, Salinas
Effective: 8/2/04

Oleata, Lonnie (REB)
 316 S. McDowell Blvd., Petaluma
Effective: 7/2/04

Sacramento Region

Lampros, Paul Konstantine (RES)
 581 N. Grant, Manteca
Effective: 7/2/04

SUSPENDED

Oakland Region

Karleskind, Andrew Peter (RREB)
 780 San Ramon Valley Blvd.,
 Danville
Effective: 6/9/04
Violation: 10130, 10177(d)
 Suspended for 15 days

LICENSE SURRENDERED

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

Fresno Region

Bergman, Lorraine E. (REB, REO)
 426 N. Abby, 2nd Fl., Fresno
Effective: 8/31/04

Los Angeles Region

Altamirano, Raul R. (RES)
 6315 Prospect Ave., Bell
Effective: 6/30/04

Bechler, Gail Anne (RES)
 PO Box 157, Orange
Effective: 6/1/04

Borneman, Mary Diane (RES)
 PO Box 11123, Palm Desert
Effective: 6/1/04

Conklin, Juliana (RES)
 1181 California Ave., Ste. 204,
 Corona
Effective: 7/8/04

County Funding Corp. (REC)
 1101 Bryan Ave., Ste. E, Tustin
Effective: 7/26/04

DeCarmel Financial Corp. (REC)
 P.O. Box 2392, El Segundo
Effective: 6/9/04

Layman Financial Services, Inc. (REC)
 PO Box 7216, Santa Monica
Effective: 7/22/04

Nakano, Gary Nick (REB)
 18700 Main St., Ste. 113,
 Huntington Beach
Effective: 7/8/04

Young, Jeffrey Dale (RES)
 16 San Carlos,
 Rancho Santa Margarita
Effective: 6/2/04

Oakland Region

Booker, Carleton Christopher (RES)
 4120 Chabot St., Antioch
Effective: 8/31/04

Guerrero, David (RES)
 5652 Byington Dr., Newark
Effective: 7/21/04

Sacramento Region

MacLeod, Allyce Marie (REB)
 459-A Oro Dam Blvd., Oroville
Effective: 6/9/04

Meier, Jeffrey L. (REB)
 1420 E. Roseville Pky, Ste. 140,
 Roseville
Effective: 6/13/04

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(as required by the U.S. Postal Service)

United States Postal Service
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| 10. Owner (Do not check this box unless the publication is owned by a corporation, give the name and address of the individual owner. If owned by a partnership or other unincorporated firm, give its name and address as well as that of each individual owner. If the publication is published by a corporation, give its name and address.) | | |
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PS Form 3826, October 1999 (See Instructions on Reverse)

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| 3. Sales Through Dealers and Carriers, Street Vendors, Counter Sales, and Other Non-USPS Mail Distribution | | -- | -- |
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| 16b. In County as Listed on Form 3826 | | -- | -- |
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I certify that all information furnished on this form is true and complete. I understand that anyone who furnishes false or misleading information on this form or who omits material or information requested on the form may be subject to criminal sanctions (including fines and imprisonment) and/or civil sanctions (including civil penalties).

Instructions to Publishers

- Complete and file one copy of this form with your publisher annually on or before October 1. Keep a copy of the completed form for your records.
- To assist with the distribution of security funds in periods, include in items 15 and 17 the number of the priority period for which the material is being filed. Include the name and address of the individual who is responsible for the distribution of the material in the priority period. If the material is not published during the priority period, include in item 17 the name of the individual who is responsible for the distribution of the material.
- Be sure to include all circulation information listed in item 15. Free circulation may be shown in item 16a, b, and c.
- Item 19, Copies not Distributed, must include (1) information on copies included in item 19 that are not accounted for by the publisher; (2) unreturned returns from news agents; and (3) copies for office use, returns, spoiled and all other copies not distributed.
- If the publication has multiple publications in a year or is published irregularly, this Statement of Ownership, Management, and Circulation must be published before the first issue in any issue in October or, if the publication is not published during October, the first issue printed after October.
- In item 21, indicate the date of the issue in which this Statement of Ownership will be published.
- Item 23 must be signed.

Failure to file or publish a statement of ownership may result in suspension of publication authorization.

PS Form 3826, October 1999 (Rev. 04/04)

Legislation summary

Continued from page 4

AB 2069 (Chavez) — Mortgage Brokering (Chapter 140)

Last year, due to bill chaptering issues, two, non-conflicting statutes added the same article with the same section numbers to the Real Estate Law pertaining to multi-lender loan transactions. One of the statutes contained all the provisions of the other. AB 2069 repealed the provisions of the statute that did not include all of the provisions of the other enacted statute. *The California Mortgage Association sponsored AB 1086.*

AB 2252 (Montanez) — Time-shares (Chapter 697)

AB 2252 creates the "Vacation Ownership and Time-share Act of 2004" which reconstitutes how time-share offerings are reviewed and qualified for sale in California. This bill also removes oversight of time-shares sales as well as the sale of associated goods and services and "short term products" from the "Home Solicitation Law" and the "Sales Seminar Law" as contained in the Civil Code and enhances time-share rescission rights and notices in the Real Estate Law. Specifically, the rescission period on time-share purchases will be increased from 3 days to 7. *AB 2252 was sponsored by the American Resort Development Association and becomes effective July 1, 2005.*

AB 2376 (Bates) — Common Interest Developments (Ch. 346)

AB 2376 amends the Davis-Stirling Common Interest Development Act to require homeowners' associations (HOA) to follow fair and reasonable decision making procedures when considering a homeowner's request to modify his or her property. As there are currently no statutory guidelines for HOAs to follow in reviewing requests from a homeowner to make modifications to his or her property, the purpose of this bill is to codify procedures that an HOA must abide by when considering whether to approve or deny a homeowner's request to modify his or her property. *This bill implements a*

recommendation by the California Law Revision Commission.

AB 2693 (Wiggins) — Disciplinary Actions and Mortgaging Lending Reporting (Ch. 940)

AB 2693, among other things, expands the causes of actions for which a real estate broker can be disciplined. Specifically, this bill allows the Real Estate Commissioner to discipline a real estate licensee for:

- Failing to disburse funds in accordance with a commitment to make a mortgage loan that is accepted by the applicant when the real estate broker represents to the applicant that the broker is either of the following:
 - (a) The lender.
 - (b) Authorized to issue the commitment on behalf of the lender or lenders in the mortgage loan transaction.
- Intentionally delaying the closing of a mortgage loan for the sole purpose of increasing interest, costs, fees, or charges payable by the borrower.

This bill also requires real estate brokers who engage in specified mortgage lending activity to notify the Department of Real Estate of such.

AB 2718 (Laird) — Common Interest Developments (Ch. 766)

AB 2718 amends the Davis-Stirling Act to expand the financial information that homeowners' associations (HOA) must provide to homeowners with respect to assessments and reserve accounts. This bill also requires community service organizations, which are nonprofit organizations separate from, but affiliated with the homeowners' association, to provide a financial statement to the association and homeowners to help assess reserves. Specifically, this bill requires HOAs to provide an "Assessment and Reserve Funding Disclosure Summary" statement as part of the reserve study given to members once every three years that would clearly delineate, in plain language, the health of the HOAs reserves. *The California Association of Realtors sponsored AB 2718.*

Mortgage Lending Activities Report

The Mortgage Lending Activities (MLA) Section is responsible for a variety of functions associated with real estate brokers engaged mostly in the mortgage business. These functions include:

Mortgage Loan Advertising — The Section performs reviews of mortgage loan advertisements submitted voluntarily by brokers wishing to have their ads approved by the Department. Brokers may submit their advertisements using a Mortgage Loan Advertising

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SB 1150 (Burton) — Mortgage Loan Advertising (Chapter 197)

SB 1150 prohibits the inclusion of the trade name, logo, or tagline of a lender, as defined, in a written solicitation for financial services directed to a consumer, subject to specified exceptions. The bill also prohibits the use of the name of a lender, or the use of a similar name, in a solicitation for financial services directed to a consumer; or the inclusion of certain loan information of a consumer in a solicitation for services or products, subject to specified exceptions. SB 1150 authorizes the recovery of actual damages and would authorize injunctive relief for a violation of these provisions. In addition, the bill would authorize the prevailing party in an action to recover costs and reasonable attorney's fees as determined by the court.

SB 1568 (Sher) — Disclosures in RE Transactions (Ch. 618)

SB 1568 requires, among other things, that sellers of residential property disclose to a buyer if the property is located within the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC). The bill also requires subdividers to make a similar disclosure in the public report, if the development is located within the jurisdiction of the BCDC. *The BCDC sponsored SB 1568 and the new public report disclosures are effective July 1, 2005.* 🏠

Real Estate Publications

Ordering information

DRE publications are available:

On the Internet — All DRE publications are available free of charge on the DRE Web site at www.dre.ca.gov.

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

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) 227-0852.

Acceptable payment methods

- Personal check, cashier's check or money order should be made payable to: Department of Real Estate.
- VISA, MasterCard, and American Express 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) 227-0852 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 | 2005 Real Estate Law Book & CD set | \$25 | | |
| | 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# | SUBTOTAL \$ _____ CA SALES TAX* \$ _____ (Tax rate used* _____ %) TOTAL ENCLOSED \$ _____ <small>* See tax information above.</small> |
| SHIPPING ADDRESS | | |
| CITY | STATE | |

PART C CREDIT CARD PURCHASE

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| AMOUNT AUTHORIZED | SIGNATURE OF CARDHOLDER | DATE |
| | PRINTED NAME OF CARDHOLDER | TELEPHONE NUMBER |

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Mortgage Lending

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Submittal (RE 884) along with a fee of \$40 for the review. The section also reviews advertisements that have been referred to the Department that may fail to comply with appropriate laws and regulations. Last year, approximately 400 advertising submissions and referrals were reviewed.

Mortgage Loan Bulletin — The MLA Section prepares and publishes a twice-yearly *Mortgage Loan Bulletin* as an educational service to real estate licensees engaged in mortgage brokering and lending activities. The bulletin is available on the DRE Web site at www.dre.ca.gov under Publications.

Threshold and Multi-Lender Reports — The MLA Section tracks and monitors the activities of brokers who meet a prescribed level of activity in specified types of mortgage transactions, primarily with private, individual investors. These brokers are required to submit quarterly and annual reports to

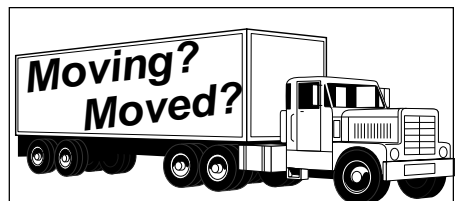
the Department. There are currently approximately 300 reporting threshold brokers and 160 reporting multi-lender brokers submitting reports to the Department. Approximately 2,000 threshold and multi-lender reports are received and processed each year.

Residential Mortgage Loan Report — The Section is involved in a data collection process whereby specified lenders engaged in certain types of lending activity report to the Department. The purpose is to monitor lending activity for any discriminatory practices. This is similar to a federal requirement, but the emphasis is on lenders who are not required to report under federal law.

Advance Fee Contract Reviews — The use of advance fee agreements is not limited to brokers in the mortgage loan business. The Section reviews the contracts of brokers who collect fees from principals in advance of performing a specified function or service(s). The Mortgage Lending Section performed approximately 20 reviews of

proposed advance fee materials last year.

Industry and Consumer Resource — Each day the Section receives numerous telephone calls and correspondence from both licensees and consumers regarding various compliance issues as well as questions concerning specific mortgage loan transactions. It is estimated that approximately 8,000 to 10,000 such calls and letters are responded to each year. 🏠



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