Due to the favorable real estate market, interest in obtaining a real estate license has increased significantly in recent years. DRE’s licensing workload mirrors the elevated real estate market.

**Licensee Population**

The number of licensees has increased by 9 to 11% per month in fiscal year 03–04 reaching a total of 393,750 licensees at the end of June 2004. DRE projects the number of licensees to increase to over 425,000 in fiscal year 04–05.

**Accomplishments**

With the policies and support of the Administration the DRE was able to implement several key elements needed to help reduce its licensing and examination processing timeframes.

DRE was able to manage its workload through the appropriate use of overtime; hiring additional temporary staff to proctor examinations, open mail, and perform various support tasks; streamlining processing efforts, and expanding the use of technology — all focused on reducing the time to process examination and license applications.

The results have been significant! Since January 2004, the Department has reduced its real estate examination and licensing processing time by 92 days.

The duplicative steps in the process were designed as safeguards to prevent erroneous termination of salespersons. Salespersons without an employing broker (license status “NBA” for no broker affiliation) cannot perform activities requiring a real estate license.

**Goals**

DRE’s challenge is the timely delivery of services while preserving the integrity of the results. Going forward, DRE will build upon the Licensing benchmarks by continuing the established best practices and expanding the use of technologies, such as eLicensing. This strategy will enable the Department to better meet the business needs of the industry as a whole by delivering timely and efficient services, promoting greater transparency of government, and providing more convenient access to information.

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**New online service**

**Termination of salesperson employment**

Employing brokers and designated/licensed officers of an employing corporation can now use the eLicensing online system at www.dre.ca.gov to terminate salesperson employment. To do so:

- Sign in to eLicensing. If you have never used eLicensing, click on the eLicensing graphic and complete the registration step to create a user name and password. Thereafter, clicking on the eLicensing graphic and signing in by entering your user name and password will provide access to eLicensing.
- Click on SALESPERSON TERMINATION.
- Enter the license number of the salesperson to be terminated.
- Click on GET SALESPERSON INFO.
- Review the information that appears to ensure the correct salesperson is selected for termination.
- If the correct salesperson is selected, click on TERMINATE SALESPERSON.
- To verify the correct salesperson has been selected and complete the termination, click on TERMINATE SALESPERSON NOW.

The duplicative steps in the process were designed as safeguards to prevent erroneous termination of salespersons. Salespersons without an employing broker (license status “NBA” for no broker affiliation) cannot perform activities requiring a real estate license.

If an employing broker or designated broker/officer terminates a salesperson by mistake, eLicensing can be used to re-instate the salesperson’s employment. The salesperson would need to sign in to eLicensing and select the

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**Annual Report Issue**

This special issue of the Real Estate Bulletin includes an annual report of the Department of Real Estate’s operating programs for fiscal year 2003–04. We hope the information provided is of interest to you and gives you a better understanding of the Department’s operation.

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**Licensing and Exam Activity**

<table>
<thead>
<tr>
<th></th>
<th>FY 01–02</th>
<th>FY 02–03</th>
<th>FY 03–04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salesperson exams scheduled</td>
<td>68,924</td>
<td>107,599</td>
<td>143,443</td>
</tr>
<tr>
<td>Broker exams scheduled</td>
<td>11,206</td>
<td>14,641</td>
<td>21,451</td>
</tr>
<tr>
<td>Original sales licenses issued</td>
<td>27,004</td>
<td>40,191</td>
<td>44,481</td>
</tr>
<tr>
<td>Original broker licenses issued</td>
<td>5,876</td>
<td>7,153</td>
<td>8,412</td>
</tr>
<tr>
<td>Misc. license transactions</td>
<td>221,987</td>
<td>256,910</td>
<td>276,457</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>334,997</strong></td>
<td><strong>426,494</strong></td>
<td><strong>494,244</strong></td>
</tr>
<tr>
<td>Increase over FY 01/02</td>
<td></td>
<td>91,497 (27%)</td>
<td>159,247 (48%)</td>
</tr>
</tbody>
</table>
Information Systems

The Department has leveraged the integration of technology solutions to improve the processing timeframes for license and examination applications. During the past year, the Information Systems Section (ISS), in support of this mission critical goal, focused its efforts on the following:

- Changes in the Enterprise Information System (EIS) that support the provisions of SB 1080 which allows an examinee to submit fingerprints prior to passing the examination and allows a salesperson to apply for the examination while enrolled in Real Estate Principles. Successful completion of, at least, Real Estate Principles is still required prior to the issuance of the license.
- Modifications to EIS that generate the city name when the zip code is entered saving keying time and improving accuracy.
- Expansion and improvement of the electronic process that forwards fingerprint response information from the Department of Justice to DRE.
- Improvements in recording fee payments associated with applications for expediting mail handling.
- Reconfiguring and simplifying the language in the Licensing Interactive Voice Response telephone system.
- Introduction of bar coding on the real estate renewal and original license applications to reduce manual processing steps.
- Enhancements in the mailing of the Real Estate Bulletin to electronically forward bulletins to a new address if one is on file with the Post Office. Additionally, the Post Office now provides DRE with an electronic notice of any new addresses so that DRE can contact the licensee.
- Technology continues to be an important factor in DRE’s achievement of its strategic goals and service to the real estate industry.

Also, eLicensing continues to be the key to the DRE’s technology and service offering futures. This year, eLicensing was expanded to offer these new online services:

- Brokers can now add a main office address, changing their status from Licensed-NBA (no business address) to Licensed.
- Examination services: reschedule an examination date, apply to re-take an examination, view examination results, change examination mailing address, request duplicate schedule and result notices, and check to see if an original license has been issued.
- Salesperson employment termination by employing brokers/corporations.
- Electronic subscription to the Real Estate Bulletin.

Online examination services better serve licensees. Before, examinees called DRE for exam services using the same telephone system as licensees which contributed to the overall telephone congestion. Since March 29, 2004, eLicensing has processed approximately 30,000 online examination transactions reducing the load on the telephone system.

The new eLicensing services may be accessed at the DRE Web site www.dre.ca.gov by clicking on the eLicensing graphic anywhere it appears. In order to use eLicensing, examinees and licensees must have an accurate social security number and date of birth on file with the DRE.
Enforcement Program

The Enforcement Section plays a vital role in the Department’s overall mission to enforce the provisions of the Real Estate Law and the Subdivided Lands Law in a manner which provides protection for purchasers of real property and those persons conducting business with real estate licensees.

There are two approaches through which Enforcement accomplishes the Department’s mission of protecting consumers in real estate transactions. The first is through the screening of license applicants to ensure that they meet the required standards in terms of knowledge, honesty and truthfulness. This generally involves a background investigation with respect to prior criminal convictions or disciplinary actions that have been taken by other agencies against an individual to determine if the licensing of that person would be a risk to the public. Investigations of this nature also occur when an individual is convicted or disciplined after he or she is licensed. The second approach is through the investigation of complaints which have been filed against real estate licensees. These investigations determine if violations of the Real Estate Law occurred in a transaction and if the licensee would be a risk to the public if allowed to continue to operate.

Investigative process

The Department investigates the actions of any person engaged in the business of or acting in the capacity of a real estate licensee upon receipt of a verified written complaint. When a complaint is initially received, it is reviewed to determine whether or not the Department has jurisdiction in the matter. In order for the Department to have jurisdiction, the complaint must involve a real estate licensee, subdivider, or unlicensed person who has performed acts that require a real estate license. Additionally, the issues of the complaint must present a potential violation of the Real Estate Law and be within the Department’s statute of limitations.

Once a complaint is received and it is determined that the issues are within the Department’s jurisdiction, it is assigned for investigation. After a case is set up for investigation, the Department must develop “clear and convincing evidence” that a violation of the Real Estate Law has occurred before disciplinary action can be taken. In many cases, sufficient evidence to establish a cause for discipline cannot be developed because the allegations made by the complainant prove to be either incorrect or unprovable.

Once a case is developed that merits formal disciplinary action, it is sent to the Department’s Legal Section. Disciplinary actions are initiated by filing either a Statement of Issues when challenging an applicant’s qualifications for licensure, or an Accusation when seeking to suspend or revoke an existing license. The Department also has the power to issue Desist and Refrain Orders to stop ongoing violations of either the Real Estate Law or the Subdivided Lands Law. The number of complaints assigned for investigation in fiscal year 2003–04, and the results of those investigations, are outlined in the above chart.

The Enforcement Section currently has 3,663 pending cases under review. The investigative process can be time-consuming, as Enforcement staff must take care to gather all pertinent documentation involved in the transaction as well as carefully document the testimony of witnesses to the events that transpired. In its efforts to administer the Real Estate Law, the Department must approach the disciplinary process in a fair and impartial manner, mindful of the rights of both licensees and consumers in seeking to achieve justice and public protection.

Audit Program

The mission of the Audit Program is to protect consumers through financial compliance audits of real estate licensees and subdivision developments. The primary focus of DRE audits is trust fund handling by licensees and subdividers. Through the Audit Program, Department staff determine if the operations of real estate brokers or subdividers, as reflected in their business records, comply with the requirements of the Real Estate Law and the Subdivided Lands Law.

Audit Statistics Fiscal Year 2003–2004

Audit results

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major violations</td>
<td>299</td>
<td>38%</td>
</tr>
<tr>
<td>Corrective Action Letters</td>
<td>105</td>
<td>13%</td>
</tr>
<tr>
<td>Minor or no violations</td>
<td>383</td>
<td>49%</td>
</tr>
<tr>
<td>Total audits performed</td>
<td>787</td>
<td>100%</td>
</tr>
</tbody>
</table>

Trust fund shortages

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total found with shortages</td>
<td>118</td>
<td>(15%)</td>
</tr>
<tr>
<td>Total amount of shortages</td>
<td>$2,317,267</td>
<td></td>
</tr>
<tr>
<td>Total cured during or soon after the audit</td>
<td>70 ($854,726)</td>
<td></td>
</tr>
</tbody>
</table>

FY 2003–04 statistics

- Complaints received and screened: 10,110
- Complaints assigned for investigation: 6,206
- Complaints closed (no discipline recommended): 4,540
- Complaints referred for disciplinary action: 2,363
- Corrective action letters issued: 213

ADD OR CHANGE EMPLOYER menu option and the employing broker or designated/licensed officer would need to certify the salesperson’s employment online. Further instructions are available on the DRE Web site www.dre.ca.gov under Online Services.
Subdivisions Report

Before a subdivision can be marketed in California, the subdivider must obtain a Subdivision Public Report (California project), permit (out-of-state time-share) or confirmation of their registration (non-California project located within the United States) from the Department of Real Estate (DRE). The public report/permit discloses to prospective purchasers pertinent information about the subdivision. Prior to issuance of a public report or permit, the subdivider must submit evidence to the DRE that adequate financial arrangements have been made for completion.

Through the public report process, the DRE oversees the creation of new standard, common interest and timeshare developments. To protect purchasers in the sale of subdivided lands, the DRE maintains uniform minimum statewide standards for site suitability, financing of improvements and facilities, sales agreements, purchase money handling, the release of blanket encumbrances, and disclosures concerning the availability of fire protection, water supply and quality, vehicular access, latent natural hazards, reservations of mineral rights and easements, and community association assessments. The DRE’s subdivision program also assures that reasonable arrangements required for managing common interest developments, including association budgets and governing instruments, are established.

Statistics

During fiscal year 2003–04, the Department received 4,018 applications for a Subdivision Public Report. This was an increase of 542 applications over the last fiscal year (02–03) or approximately 16%. The increase from the 2003–04 fiscal year compared to 2002–03 is 1,112 applications or approximately 38%.

Recent Developments

The DRE has been working with the time-share industry to develop a new regulatory scheme as proposed in Assembly Bill 2252. If enacted, the time-share qualification process is expected to become more streamlined without compromising consumer protection.

Legal Section

The Department continues to receive an increased number of license applications. A portion of those applicants have problems in their background requiring further review before a license will be issued. The final step in some cases is the holding of a formal hearing to determine whether a license should be issued. During the last fiscal year, the number of statements of issues filed to review an applicant’s qualifications for licensure increased dramatically (35% increase). At the same time, the Legal Section experienced a 16% increase in overall filings and a 26% increase in orders issued when compared with last fiscal year.

As the following table indicates, we received 1,222 investigative files recommending some kind of legal action. As a result of these referrals, the Legal Section filed 522 accusations initiating disciplinary actions to suspend or revoke licenses (43% increase over last year) and 1,130 statements of issues to deny applications for licensure (35% increase over last year). Disciplinary actions prosecuted by the Legal Section resulted in the revocation of 307 licenses, the suspension of 120 licenses, 73 voluntary surrenders of licenses and the denial of 875 applications.

Legal Section Statistics 2003–04

<table>
<thead>
<tr>
<th>Activity</th>
<th>Cases Filed</th>
<th>Orders Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raps (criminal convictions)</td>
<td>1469</td>
<td></td>
</tr>
<tr>
<td>Transactional Accusation Cases</td>
<td>163</td>
<td></td>
</tr>
<tr>
<td>Desist &amp; Refrain Cases</td>
<td>44</td>
<td>44</td>
</tr>
<tr>
<td>Petitions for Reinstatement</td>
<td></td>
<td>191</td>
</tr>
<tr>
<td>License Revocations (including restricted)</td>
<td>304</td>
<td></td>
</tr>
<tr>
<td>License Suspensions</td>
<td>120</td>
<td></td>
</tr>
<tr>
<td>Voluntary Surrenders</td>
<td>73</td>
<td></td>
</tr>
<tr>
<td>Dismissals (accusations or statements of issues)</td>
<td>114</td>
<td></td>
</tr>
<tr>
<td>Public Reprovals</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>License Denials (including restricted)</td>
<td>875</td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>1676</td>
<td>1710</td>
</tr>
</tbody>
</table>

Recovery Account

Seven fewer Recovery Fund claims were filed in fiscal year 2003–04 compared to 2002–03. The number of claims paid increased as did the amount. We anticipate that claim activity will remain at approximately the same level in FY 2004–05.

<table>
<thead>
<tr>
<th>FY 03–04</th>
<th>Claims Filed</th>
<th>Claims Paid</th>
<th>Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>54</td>
<td>86</td>
<td>$1,290,507</td>
</tr>
</tbody>
</table>

In conjunction with AB 2252, the DRE has undertaken an independent review of its time-share business processes and time-share file tracking procedures. The goal of this endeavor is to obtain recommendations for improving operational efficiencies while continuing to promote balance between the business needs of industry and the DRE’s responsibility to protect consumers. With the expected passage of the new time-share legislation, regulations, forms and review procedures will need to be updated to reflect the related reforms.

Additionally, the Department is currently in the process of undertaking an independent analysis of the general subdivision review process. This streamlining effort will involve a complete review and analysis of the organizational processes associated with subdivision public report applications for standard and common interest subdivisions. It is anticipated that this effort will result in a more efficient file handling process.

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Disciplinary Action — March–May 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**

<table>
<thead>
<tr>
<th>Number</th>
<th>Violation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2715</td>
<td>Licensee’s failure to maintain current business or mailing address with DRE</td>
</tr>
<tr>
<td>2726</td>
<td>Failure to have broker-salesperson agreements</td>
</tr>
<tr>
<td>2731</td>
<td>Unauthorized use of fictitious business name</td>
</tr>
<tr>
<td>2795.1</td>
<td>Failure to retain receipt for subdivision public report</td>
</tr>
<tr>
<td>2830.1(a)</td>
<td>Failure to comply with interest bearing trust account requirements</td>
</tr>
<tr>
<td>2830.1(d)</td>
<td>Failure to comply with interest bearing trust account requirements</td>
</tr>
<tr>
<td>2831</td>
<td>Failure to keep proper trust fund records</td>
</tr>
<tr>
<td>2831.1</td>
<td>Inadequate separate trust fund beneficiary records</td>
</tr>
<tr>
<td>2831.2</td>
<td>Failure to reconcile trust account</td>
</tr>
<tr>
<td>2832</td>
<td>Failure to comply with trust fund handling provisions</td>
</tr>
<tr>
<td>2832(a)</td>
<td>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</td>
</tr>
<tr>
<td>2832(b)</td>
<td>Failure to comply with interest bearing trust account requirements</td>
</tr>
<tr>
<td>2832.1</td>
<td>Failure to obtain permission to reduce trust fund balance in a multiple beneficiary account</td>
</tr>
<tr>
<td>2834</td>
<td>Trust account withdrawals by unauthorized or unbonded person</td>
</tr>
<tr>
<td>2834(b)</td>
<td>Unauthorized or unbonded person making withdrawals from corporate trust fund account</td>
</tr>
<tr>
<td>2835</td>
<td>Retention of broker funds in trust account</td>
</tr>
<tr>
<td>2840</td>
<td>Failure to give approved borrower disclosure</td>
</tr>
<tr>
<td>2970</td>
<td>Failure to submit advance fee material for review</td>
</tr>
</tbody>
</table>

**Business and Professions Code**

<table>
<thead>
<tr>
<th>Number</th>
<th>Violation</th>
</tr>
</thead>
<tbody>
<tr>
<td>490</td>
<td>License obtained by fraud or misrepresentation</td>
</tr>
<tr>
<td>10085</td>
<td>Failure to submit advance fee materials</td>
</tr>
<tr>
<td>10130</td>
<td>Acting without license</td>
</tr>
<tr>
<td>10131(a)</td>
<td>Performing acts for which a real estate license is required</td>
</tr>
<tr>
<td>10137</td>
<td>Unlawful employment or payment of compensation</td>
</tr>
<tr>
<td>10145</td>
<td>Trust fund handling</td>
</tr>
<tr>
<td>10145(a)(1)</td>
<td>Failure of broker to place trust funds into neutral escrow depository, the hands of the principal or a trust fund account</td>
</tr>
<tr>
<td>10145(d)</td>
<td>Violation of interest bearing trust account requirements</td>
</tr>
<tr>
<td>10145(d)(1)</td>
<td>Violation of interest bearing trust account requirements</td>
</tr>
<tr>
<td>10145(d)(4)</td>
<td>Failure to disclose how interest will be calculated and paid and whether service charges will be paid on interest bearing trust account</td>
</tr>
<tr>
<td>10146</td>
<td>Advance fee handling</td>
</tr>
<tr>
<td>10148</td>
<td>Failure to retain records and make available for inspection</td>
</tr>
<tr>
<td>10148(a)</td>
<td>Failure to retain records and make available for inspection</td>
</tr>
<tr>
<td>10159.2</td>
<td>Failure by designated officer to supervise licensed acts of corporation</td>
</tr>
<tr>
<td>10162</td>
<td>Failure to maintain a place of business</td>
</tr>
<tr>
<td>10176(a)</td>
<td>Making any substantial misrepresentation</td>
</tr>
<tr>
<td>10176(b)</td>
<td>Making false promise</td>
</tr>
<tr>
<td>10176(c)</td>
<td>Commingling trust funds with brokers funds</td>
</tr>
<tr>
<td>10176(g)</td>
<td>Secret profit or undisclosed compensation</td>
</tr>
</tbody>
</table>

**Los Angeles Region**

<table>
<thead>
<tr>
<th>Violation</th>
</tr>
</thead>
<tbody>
<tr>
<td>10176(i)</td>
</tr>
<tr>
<td>10177(a)</td>
</tr>
<tr>
<td>10177(b)</td>
</tr>
<tr>
<td>10177(d)</td>
</tr>
<tr>
<td>10177(f)</td>
</tr>
<tr>
<td>10177(g)</td>
</tr>
<tr>
<td>10177(h)</td>
</tr>
<tr>
<td>10177(i)</td>
</tr>
<tr>
<td>10177(k)</td>
</tr>
<tr>
<td>10177.5</td>
</tr>
<tr>
<td>10229(a)</td>
</tr>
<tr>
<td>10229(j)(3)</td>
</tr>
<tr>
<td>10229(n)</td>
</tr>
<tr>
<td>10232.2(a)</td>
</tr>
<tr>
<td>10232.25</td>
</tr>
<tr>
<td>10232.4</td>
</tr>
<tr>
<td>10233</td>
</tr>
<tr>
<td>10236.4</td>
</tr>
<tr>
<td>10240</td>
</tr>
<tr>
<td>11010</td>
</tr>
<tr>
<td>11018(a)</td>
</tr>
<tr>
<td>11018.1(a)</td>
</tr>
<tr>
<td>11018.2</td>
</tr>
</tbody>
</table>

**REMOVED LICENSES**

<table>
<thead>
<tr>
<th>Number</th>
<th>Violation</th>
</tr>
</thead>
<tbody>
<tr>
<td>5223</td>
<td>Fraud or dishonest dealing in licensed capacity</td>
</tr>
<tr>
<td>10177(a)</td>
<td>Procuring a real estate license by misrepresentation or material false statement</td>
</tr>
<tr>
<td>10177(b)</td>
<td>Conviction of crime</td>
</tr>
<tr>
<td>10177(d)</td>
<td>Violation of real estate law or regulations</td>
</tr>
<tr>
<td>10177(f)</td>
<td>Conduct that would have warranted denial of a license</td>
</tr>
<tr>
<td>10177(g)</td>
<td>Negligence or incompetence in performing licensed acts</td>
</tr>
<tr>
<td>10177(h)</td>
<td>Failure to supervise salespersons or licensed acts of corporation</td>
</tr>
<tr>
<td>10177(i)</td>
<td>Fraud or dishonest dealing as principal</td>
</tr>
<tr>
<td>10177(k)</td>
<td>Violation of restricted license condition</td>
</tr>
<tr>
<td>10177.5</td>
<td>Civil fraud judgment based on licensed acts</td>
</tr>
<tr>
<td>10229(a)</td>
<td>Violation of multi-lender requirements</td>
</tr>
<tr>
<td>10229(j)(3)</td>
<td>Failure to file quarterly multi-lender trust account reports</td>
</tr>
<tr>
<td>10229(n)</td>
<td>Failure to file annual multi-lender trust account reports</td>
</tr>
<tr>
<td>10232.2(a)</td>
<td>Failure to provide independent audit reports</td>
</tr>
<tr>
<td>10232.25</td>
<td>Failure to file trust fund status reports</td>
</tr>
<tr>
<td>10232.4</td>
<td>Failure to give lender/purchaser disclosure</td>
</tr>
<tr>
<td>10233</td>
<td>Failure of MLB to have written loan servicing contract</td>
</tr>
<tr>
<td>10236.4</td>
<td>Failure to include license number or DRE license information</td>
</tr>
<tr>
<td>10240</td>
<td>Failure to give mortgage loan disclosure statement</td>
</tr>
<tr>
<td>11010</td>
<td>Failure to file application for public report</td>
</tr>
<tr>
<td>11018(a)</td>
<td>Failure to comply with subdivision requirements</td>
</tr>
<tr>
<td>11018.1(a)</td>
<td>Failure to give public report to prospective purchaser</td>
</tr>
<tr>
<td>11018.2</td>
<td>Sale of subdivision lots without a public report</td>
</tr>
</tbody>
</table>

**Godoy, David Alexander (RES)**

5223 Wentworth Dr., Riverside
Effective: 3/22/04
Violation: 490, 10177(a)

**Goldinger, S. Jay (RES)**

415 N. Crescent Dr., #235, Beverly Hills
Effective: 6/26/03
Violation: 490, 10177(b)

**Gonzalez, Javier F. (RES)**

5401 Vanguard Ave., Garden Grove
Effective: 3/18/04
Violation: 498, 10177(a)

**Greater Mortgage Corp. (REC)**

10 almond Tree Ln., Irvine
Effective: 5/17/04
Violation: 2715, 10162, 10165, 10177(d)(j), 10177.5

**Hakim, Gabriel (RES)**

13411 Fox Run Rd., Victorville
Effective: 5/6/04
Violation: 490, 10177(b)

**Katchem, Sidney Neil (RES)**

2232 Albright Ave., Upland
Effective: 4/27/04
Violation: 490, 10177(b)
Bottoms, Kurt Douglas (REB)  
5621 Sobranie Ave., El Sobranie  
Effective: 3/29/04  
Violation: 490, 10177(b)

Carlette, Gail (REB)  
1609 Woodland Ave., Ste. 2, Palo Alto  
Effective: 3/26/04  
Violation: 490, 10177(b)

Coleman, Sean Dylan (RES)  
PO Box 51615, San Jose  
Effective: 4/28/04  
Violation: 490, 10177(b)

Corcran, Marcus Lernard (RES)  
581 Bright St., San Francisco  
Effective: 4/21/04  
Violation: 490, 10177(b)

Meyer, Richard Anthony (RES)  
5026 Rue Calais, San Jose  
Effective: 5/3/04  
Violation: 490, 10177(b)

Stockton, Blff (RES)  
2963 College Ave., Berkeley  
Effective: 4/13/04  
Violation: 490, 10177(b)

Subana, Suhartini (RES)  
1974 5th St., Livermore  
Effective: 3/29/04  
Violation: 490, 10177(b)

Sacramento Region

Cardianni, Ross Fr. Jr. (REB, REO)  
6820 Pacific Ave., Stockton  
Effective: 4/12/04  
Violation: 10159.2, 10177(b)

Costa, John P. (RES)  
837 Columbia Dr., Sacramento  
Effective: 3/16/04  
Violation: 490, 10177(b)

Sanabria, Anna M. (RES)  
1349 Springfield Ct., Fairfield  
Effective: 5/10/04  
Violation: 490, 10177(b)

Stockton Mortgage Incorporated (REC)  
6820 Pacific Ave., Stockton  
Effective: 4/12/04  
Violation: 10148(a), 10177(d), 10229(a)(n), 10229(d)(3)

Thueson, Kathleen (REB)  
P.O. Box 1767, Jackson  
Effective: 5/5/04  
Violation: 2831, 2831.1, 2831.2, 10145, 10176(d), 10177(d)

Westermoer, Marcine Mary (RES)  
PO Box 5533, Santa Monica  
Effective: 4/30/04  
Violation: 490, 10177(b)

San Diego Region

Chenelle, Tina Ann (RES)  
3027 Clairemont Dr., San Diego  
Effective: 5/3/04  
Violation: 490, 10177(b)

Farley, Edward Bigelow Jr. (REB)  
6334 Caminito Partida, San Diego  
Effective: 3/16/04  
Violation: 2731, 10148, 10177(d)

White, Charles (REB)  
1025 S. Sunshine Ave., National City  
Effective: 3/2/04  
Violation: 490, 10177(b)

Cho, Byeong Hwa (RES)  
245 W. Loraine Ste., #217, Glendale  
Effective: 3/22/04  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions

Cohen, Saced (REB)  
2042 E. Vernon Ave., Vernon  
Effective: 3/29/04  
Violation: 490, 10177(b)  
Right to RRE license on terms and conditions

Del Carmel, Carlos Alberto(REB, REO)  
9330 Baseline Rd., Ste. 208, Rancho Cucamonga  
Effective: 3/18/04  
Violation: 2726, 2731, 2831, 2831.1, 10177(d)(3)  
Right to RRE license on terms and conditions

Hernandez, Marvin Osvaldo (RES)  
1932 S. Grandview Ln., West Covina  
Effective: 4/19/04  
Violation: 490, 10177(b)  
Right to RRE license on terms and conditions

Hu, Tianlai (RREB)  
12654 Misty Pl., Cerritos  
Effective: 4/19/04  
Violation: 10177(f)(j)(k)  
Right to RRES license on terms and conditions

Jeske, Keith William (REB)  
79-950 Tangelo St., La Quinta  
Effective: 4/1/04  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions

Marcisin, Ronald Michael (RES)  
19321 Benfield Ave., Cerritos  
Effective: 5/27/04  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions

Michi, Ralph (RREB)  
21850 Mackenzie Ave., Yorba Linda  
Effective: 3/10/04  
Violation: 10130, 10177(a)(d)  
Right to RRES license on terms and conditions; RRES license suspended for 120 days

Omigo, Laarni Garcia (REB)  
3624 E. Neweagte Way, Orange  
Effective: 7/17/03  
Officer of: The Omigo Group, Inc.  
Violation: 10159.2, 10177(g)  
Right to RRES license on terms and conditions
Use the eLicensing online system at [www.dre.ca.gov](http://www.dre.ca.gov) for expedited processing of:

- Broker and salesperson license renewal
- Duplicate license requests (broker, salesperson, officer and branch)
- Salesperson requests to change employing broker
- Broker certification of salesperson employment
- Salesperson employment termination NEW!
- License mailing address changes
- Broker main office address changes
- Requests to receive the Real Estate Bulletin electronically
- Examination services

eLicensing is easy to use, paperless and interactive. Thanks!

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Reese, Thomas II (RES)
656 East 88th Pl., Los Angeles
Effective: 3/17/04
Violation: 498, 10177(a)
Right to RRES license on terms and conditions; RRES license suspended for 30 days

Sanada, Sheldon Joseph (REB, REO)
1040 E. Katella Ave., Ste. B-1, Orange
Effective: 3/10/04
Violation: 10137, 10177(d)(g), 10240
Right to RREB license on terms and conditions

Sianaki, Ebrahim Y. (RES)
10750 Civic Center Dr., Ste. 200, Rancho Cucamonga
Effective: 4/28/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Yi, Shi (RES)
32 Stanford Ct., Irvine
Effective: 4/19/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

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Fernandez, Robert J. (RREB)
2680 S. White Rd., Ste. 150, San Jose
Effective: 3/12/04
Officer of: QAL Affiliates, Inc. (REC)
Violation: 10159.2, 10177(d)(g)(b)
Right to RRES license on terms and conditions

Frausto-Ramirez, Luis Manuel (RES)
2093 Corby Ave., Santa Rosa
Effective: 5/5/04
Violation: 490, 10177(b)
Right to RREB license on terms and conditions

Friend, Deborah Lynn (RES)
24255 Outlook Dr., #20, Carmel
Effective: 3/8/04
Violation: 490
Right to RRES license on terms and conditions

QAL Affiliates, Inc. (REC)
2680 S. White Rd., Ste. 150, San Jose
Effective: 3/12/04
Violation: 2831, 2831.1, 2831.2, 2832, 2832.1, 2834, 10145, 10177(d)
Right to RREC license on terms and conditions

Reynoso, David (RES)
PO Box 1128, Soledad
Effective: 5/20/04
Violation: 490, 10177(b)
Right to RRESS license on terms and conditions

Ruyle, Jill Ann (REB)
3161 Washington St., San Francisco
Effective: 5/10/04
Violation: 490, 10177(b)
Right to RREB license on terms and conditions

Sanchez, Alex F. (RES)
3412 19th Ave., Sacramento
Effective: 5/10/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Sheraton Real Estate Management, Inc. (REC)
1166 E. Lassen Ave., Chico
Effective: 3/15/04
Violation: 2832, 2832.1, 2834, 10145, 10177(d)
Right to RREC license on terms and conditions

Stockton Mortgage Incorporated (REC)
6820 Pacific Ave., Stockton
Effective: 3/17/04
Violation: 2832, 10177(d), 10232.4, 10233
Right to RREC license on terms and conditions

San Diego Region
Hotten, Dale T. (RES)
542 15th St., San Diego
Effective: 5/10/04
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Souza-Adams, Sherri Ann (RES)
3032 Erie St., San Diego
Effective: 3/19/04
Violation: 490, 10177(a)(b)
Right to RRES license on terms and conditions

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

Fresno Region
Burgener, Wendy Leigh (REB)
2150 Main St., Ste. 6, Cambrria
Effective: 4/13/04

Jennings, Michael Gene (RES)
310 Vassar Ave., Fresno
Effective: 5/20/04

Jourdan, Noel Marin (RES)
8608 Whitrock Dr., Apt. B, Bakersfield
Effective: 5/19/04

Los Angeles Region
Adams, Alyse Gunter (RES)
997 Orangewood Dr., Brea
Effective: 4/22/04

Bran, Michael Ray (RES)
1625 East G St., #12E, Ontario
Effective: 4/1/04

Christopher, Bruce R. (RES)
PO Box 1162, Baldwin Park
Effective: 4/1/04

Fayngold, Vlad J. (REB)
11012 Ventura Blvd., #123, Studio City
Effective: 5/18/04
Gibertson, Gail Young (REB)  
10882 S. Meads Ave., Orange  
Effective: 4/27/04

Gaytia, Yvonne F. (RES)  
12413 Redrock Rd., Victorville  
Effective: 3/30/04

Jackson, Dionne Hasani (REB, REO)  
6710 Bedford Ave., Los Angeles  
Effective: 3/2/04

Jackson, Wayne H. (RES)  
6245 Bristol Pky, Culver City  
Effective: 3/2/04

Paine, Bruce Michael (RES)  
44 Thornton Ave., Venice  
Effective: 3/30/04

Rapp, Wayne A. (REB, REO)  
17772 Irvine Blvd., #209, Tustin  
Effective: 5/18/04

Salamone, Robert Salvatore (REB)  
16131 E. Whittier Blvd., Whittier  
Effective: 4/27/04

Smith, Steven Aubrose (RES)  
18051 Irvine Blvd., Tustin  
Effective: 4/1/04

Wang, Steve Tean (RES)  
5990 N. Sepulveda Blvd., Ste. 610, Van Nuys  
Effective: 3/9/04

Oakland Region  
Cooper, Vallen Widmer (REB)  
2235 Challenger Way, Ste. 109, Santa Rosa  
Effective: 4/13/04

Sacramento Region  
Alred, Richard Irvin (RES)  
3746 Kimberly Way, Carmichael  
Effective: 3/26/04

Beasley, Tracy N. (RES)  
P.O. Box 22113, Sacramento  
Effective: 3/24/04

Evans, Thurman Elliott (REB)  
3931 Durock Rd., Ste. 100, Cameron Park  
Effective: 3/19/04

Kelley, Mark Laurence (RES)  
1243 SW Spring Garden Rd., Portland, OR  
Effective: 3/8/04

Kenyon, David Lance (RES)  
6609 Medora St., North Highlands  
Effective: 3/8/04

San Diego Region  
Frank Schaefer Construction, Inc. (REC)  
1347 Caminito Diadema, La Jolla  
Effective: 3/2/04

Schaeffer, Frank George (REO)  
1347 Caminito Diadema, La Jolla  
Effective: 3/2/04  
Officer of: Frank Schaefer Construction, Inc.

SUSPENDED WITH STAY

Fresno Region  
Bankers Financial Group A Calif Corp (REC)  
1907 Brundage Ln., Bakersfield  
Effective: 4/15/04  
Violation: 2831.1, 2831.2, 10145, 10177(d), 10232.2, 10236.4, 10240  
Suspended for 90 days-stayed for 2 years on terms and conditions

Bankers Home Loans (REC)  
1907 Brundage Ln., Bakersfield  
Effective: 4/15/04  
Violation: 2831.1, 2831.2, 10145, 10177(d), 10232.2, 10236.4, 10240  
Suspended for 90 days-stayed for 2 years on terms and conditions

Bryan Michael Corporation (REC)  
501 Adams Dr., Chowchilla  
Effective: 4/19/04  
Violation: 10137  
Suspended for 60 days-stayed for 2 years on terms and conditions

Cheatham, Phillip James (REC, REO)  
501 Adams Dr., Chowchilla  
Effective: 4/19/04  
Officer of: Bryan Michael Corporation  
Violation: 10177(h)  
Suspended for 60 days-stayed for 2 years on terms and conditions

Garretson, David Nichols (REC)  
7520 Morro Rd., Atascadero  
Effective: 5/4/04  
Officer of: Vanguard Lending Group, Inc.  
Violation: 10159.2, 10177(d)(g)(h)  
Suspended for 60 days-stayed for 2 years on terms and conditions

Gradowitz, Kent Max (REC, REO)  
1907 Brundage Ln., Bakersfield  
Effective: 4/15/04  
Officer of: Bankers Financial Group; Bankers Home Loans  
Violation: 10177(h)  
Suspended for 90 days-stayed for 2 years on terms and conditions

North American Loan Servicing Corporation (REC)  
4932 Ponderosa Way, Midpines  
Effective: 5/4/04  
Violation: 2831.2, 2832.1, 10145, 10177(d), 10229(n)  
Suspended for 60 days-stayed for 2 years on terms and conditions

Smith, Marvin Lee (REB)  
5680 N. Fresno, Ste. 105, Fresno  
Effective: 5/20/04  
Violation: 10137  
Suspended for 90 days-stayed for 2 years on terms and conditions

Oakland Region  
Brown, Jane Evangeline (REB, REO)  
4873 Mission St., San Francisco  
Effective: 3/4/04  
Officer of: Jane E. Brown, Inc.  
Violation: 10176(e), 10177(d)(g)(h)  
Suspended for 60 days-stayed for 2 years on terms and conditions

Ellingwood, James Lee (REB)  
6472 Camden Ave., Ste. 105, San Jose  
Effective: 4/6/04  
Violation: 2831.2, 2835, 10145, 10176(e), 10177(d), 10223.2, 10232.4  
Suspended for 2 years-all but 30 days stayed

Homan, John Elbur (REB, REO)  
1555 Riverlake Rd., Ste. N, Byron  
Effective: 3/3/04  
Violation: 10177(b)  
Suspended for 90 days-stayed for 2 years on terms and conditions

Jane E. Brown, Inc. (REC)  
4873 Mission St., San Francisco  
Effective: 3/4/04  
Violation: 10176(e), 10177(d)  
Suspended for 60 days-stayed for 2 years on terms and conditions

Lois Garner Realty, Inc. (REC)  
1555 River Lake Rd., Ste. N, Discovery Bay  
Effective: 3/3/04  
Violation: 10137, 10177(d)  
Suspended for 90 days-stayed for 2 years on terms and conditions

Ortiz, Alisa Rennae (RES)  
4800 Discovery Pk, Byron  
Effective: 3/9/04  
Violation: 10130, 10131(a), 10177(d)  
Suspended for 90 days-stayed for 2 years on terms and conditions

R.W. Selby & Co., Inc. (REC)  
11661 San Vicente Blvd., Ste. 510, Brentwood  
Effective: 3/1/04  
Violation: 2830.1(a)(d), 2832(a)(b), 10145(d)(1)(4), 10177(d)  
Suspended for 90 days-stayed for 2 years on terms and conditions

Radford, Jason Gabriel (REB, REO)  
707 Menlo Ave., Ste. 210, Menlo Park  
Effective: 3/5/04  
Officer of: Jarco Commercial Real Estate, Inc.  
Violation: 10159.2, 10177(h)  
Suspended for 60 days-stayed for 2 years on terms and conditions

Selby, Richard William (REO)  
11661 San Vicente Blvd., Ste. 510, Brentwood  
Effective: 3/1/04  
Officer of: R.W. Selby & Co., Inc.  
Violation: 10159.2, 10177(h)  
Suspended for 90 days-stayed for 2 years on terms and conditions

West, David Eliot (REB)  
262 Grand Ave., Ste. 315, Oakland  
Effective: 4/2/04  
Violation: 10145, 10177(d)  
Suspended for 120 days-all but 19 days stayed for 1 year on terms and conditions
Publications and Outreach

The Publications and Outreach Section manages publications including industry newsletters, consumer protection and reference materials; manages the DRE Web site; develops, coordinates and implements outreach efforts and events; and works cross-functionally with other Program Areas to implement their public information objectives.

Accomplishments

Like other DRE Program Areas, Publications and Outreach was very busy in Fiscal Year 2003–04. Accomplishments include:

- Revised Instructions to License Applicants to reflect changes in the Real Estate Law effective July 1, 2004, provide clearer instructions to license applicants and licensees, and promote the use of eLicensing;
- Worked with the Audits Section to revise Trust Funds – A Guide for Real Estate Brokers and Salespersons (RE 51) publication in February 2004, available in English, Spanish and Chinese;
- Added information about the DRE and publications available to A Consumer Guide to Filing Real Estate Complaints in February 2004;
- Revised the Real Estate Law effective January 1, 2004;
- Worked with the Information Systems Section and Licensing Section to increase awareness and use of eLicensing;
- Participated in making examination services available through eLicensing;
- Revamped the Examinees and Licensees menus on the DRE Web site to facilitate ease of use and increase information;
- Completed the development of educational videos and workbooks for first-time home buyers and renters and distributed 375 sets to instructors at high schools, colleges, adult schools and community-based organizations statewide;
- Reduced the cost of mailing the Real Estate Bulletin and began accepting electronic subscriptions through eLicensing;
- Developed partnerships with other state and federal agencies to increase outreach;
- Assisted in simplifying and clarifying publications, Web site content, letters, applications and forms to improve customer service and help reduce processing timeframes.
California real estate brokers and compensation insurance
from the Department of Industrial Relations

California law requires real estate brokers to provide workers’ compensation insurance coverage for their real estate sales agents, even when those agents are independent contractors. For purposes of workers’ compensation insurance, the relationship between a real estate broker and a real estate salesperson is governed by Section 3200 et seq. of the California Labor Code, available at www.leginfo.ca.gov (click on California Law).

The law mandating that employers carry workers’ compensation insurance came into existence as an exclusive remedy for on the job injuries, which would save them from personal injury lawsuits that could devastate their businesses and employment opportunities for agents.

In recent months, the failure of some real estate brokers to comply with this law has come to the attention of the Department of Industrial Relations (DIR), the state agency that oversees enforcement of the Labor Code, underscoring the need to educate brokers about their responsibilities.

Failure to comply carries stiff penalties
If an agent of an uninsured broker gets injured while working and cannot collect the workers’ compensation benefits to which they are entitled through the broker’s policy, the agent receives benefits from the state’s Uninsured Employers Fund (UEF), administered by the Department of Industrial Relation’s Division of Workers’ Compensation (DWC). The DWC, in turn, makes every attempt to collect from the broker on behalf of the UEF. The DWC takes steps to recoup funds using the same methods the state uses to collect overdue taxes, child support and student loans, which can include liens against real property and asset attachments.

Additionally, when an investigation conducted by the Department of Industrial Relation’s Division of Labor Standards Enforcement (DLSE) determines an employer is illegally uninsured, DLSE issues orders preventing the employer from conducting business until they show proof of valid workers’ compensation insurance, along with civil citations. Civil citations for failure to carry workers compensation insurance carry fines of up to $100,000.

Real estate brokers who erroneously require agents to carry their own workers’ compensation insurance may also be liable for potential claims for reimbursement and law suits from current or former sales agents.

Continued on page 12

Financial Statement

Last year, actual revenue received for the 2003–04 fiscal year totaled $35,444,538.

DRE’s actual expenditures for the 2003–04 fiscal year were $30,999,303. Thus, DRE’s revenues exceeded expenditures by $4,445,235. With revenue and expenditures as they were DRE’s reserve balance at the end of fiscal year 2003–04 was $23,190,177.

Fiscal Year 2003–2004

Revenue
Examinations $ 5,785,858
Licensing $ 17,939,048
Subdivisions $ 9,929,918
Other $ 1,789,714
Total Revenue $ 35,444,538

Expenditures
Personnel $ 21,080,108
Facilities $ 7,461,913
Other $ 2,500,000
– Reimbursements $ 42,718
Total Expenses $ 30,999,303

Net Result $ 4,445,235

Expenditure Comparison (Net of reimbursements)
Actual FY 02–03 $ 29,807,437
Actual FY 03–04 $ 30,999,303

Reserves Comparison *
Actual FY 02–03 $ 17,465,920
Actual FY 03–04 $ 23,190,177

* Reflects the $10.9 million loan to the General Fund.

Education and Research Section

The Education and Research Section is responsible for the review and approval of all real estate license continuing education course offerings as well as pre-license qualification courses offered by private schools. It also administers a research program authorized under Section 10451.5 of the Business and Professions Code and assists the Real Estate Commissioner with the advancement of education and research in the field of real estate.

Accomplishments
➢ Reviewed and approved 536 continuing education course offerings and pre-license qualification courses.
➢ Revised and updated the application forms for continuing education offerings and pre-license course approval.
➢ Placed all Education Section forms on the DRE Web site providing easier access for course sponsors.
➢ Implemented the provisions of revised Regulations 3000 and 3006 establishing instructor qualifications for continuing education offerings and pre-license courses.
➢ Implemented an online evaluation form allowing students of continuing education offerings and pre-license courses to electronically submit an evaluation of courses and instructors to DRE.
➢ Prepared and distributed to proprietary schools the course content criteria for the new optional pre-license course in Common Interest Developments.
**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](http://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.

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**PART B SHIPPING INFORMATION**

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**PART C CREDIT CARD PURCHASE**

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<tr>
<th>PRINTED NAME OF CARDHOLDER</th>
<th>TELEPHONE NUMBER</th>
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Compensation insurance
Continued from page 10

All uninsured employers in the real estate industry are urged to obtain workers’ compensation coverage, either through the state-recognized self-insurance program administered by the Department of Industrial Relations (further information is available at www.dir.ca.gov/SIP/sip.html), or through any carrier authorized by the California Department of Insurance to write workers’ compensation policies (see www.insurance.ca.gov).

Using a professional employer organization
Some employers choose to purchase workers’ compensation insurance as part of a bundle of services that may include human resources management, payroll services, and tax filing, from professional employer organizations (PEO’s). The fact that an employer engages a PEO does not release it from liability. Employers have a responsibility to ensure workers are covered by a valid workers’ compensation policy and should proceed with caution when using a PEO.

Generally, even though a PEO must have workers’ compensation coverage under its own policy, real estate brokers or their companies must be listed as an additional insured.

Before turning vital programs like workers’ comp and payroll over to a third party, employers must be sure they are dealing with a reputable, legally insured PEO.

The California Association of Professional Employer Organizations recommends the following steps to help determine if a PEO is legitimate:

✓ Check the PEO’s certificate of insurance with the California Department of Insurance.
✓ Find out what services the PEO will offer. Meet the people who provide the services.
✓ Check the company’s references. Make sure they are paying payroll taxes.
✓ See if the company is a member of the California or National Association of Professional Employer Organizations. (See www.napeo.org/ca for more information.)
✓ How does the PEO cover employee benefits? Is it licensed in California? Self funded?
✓ Review liability for the service agreement. Look at the cancellation process for the PEO and your business.

Further information is available at the Department of Industrial Relation’s Web site www.dir.ca.gov or by calling 1-800-736-7401.

If yes, please change your license mailing address; this address is used to mail the Real Estate Bulletin and renewal notices. Take advantage of eLicensing to make the change or use the appropriate “change” form.