

Real Estate

BULLETIN

CALIFORNIA DEPARTMENT OF REAL ESTATE

FROM THE DESK OF THE
COMMISSIONER

DRE 2024
ANNUAL HIGHLIGHTS



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Tomiquia Moss, Secretary

DEPARTMENT OF REAL ESTATE

Chika Sunquist, Commissioner

REAL ESTATE BULLETIN STAFF

Bradley Evans, Managing Editor

Anna Opalka, Reviewing Editor

Alexis Collins, Production Editor

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FROM THE DESK OF THE COMMISSIONER

In this edition of the *Real Estate Bulletin*, we are proud to share an annual report on DRE's activities and accomplishments.

Through our proactive consumer outreach, licensee education efforts, compliance and enforcement actions, and subdivision public report and budget reviews, I am hopeful that the more we educate DRE licensees the more consumers are well-informed before making life-changing financial decisions and the fewer consumers will be harmed by unscrupulous actors in the real estate industry.

While we are seeing a decrease in new real estate license applications compared to the last fiscal year, California continues to retain over 430,000 real estate brokers and salespeople licensed under DRE.

We have also welcomed several new staff members to the Department, who are committed to providing excellent customer service to our examinees and licensees.

We hope the information provided in this *Real Estate Bulletin* is of interest to you and gives you a better understanding of DRE's operations, what each division within DRE does, and our efforts towards fulfilling DRE's mission of consumer protection. 🏠



DRE COMMISSIONER





DRE BY THE NUMBERS

FISCAL YEAR 2023-2024

433,510

LICENSEES

309,985

LICENSED SALESPERSONS

123,525

LICENSED BROKERS



25,069

LICENSES ISSUED

21,604

SALESPERSON LICENSES ISSUED

3,465

BROKER LICENSES ISSUED



380

DRE STAFF POSITIONS



62,037,000

2023-2024 FISCAL YEAR BUDGET



237

APPROVED CONTINUING EDUCATION COURSES



91%

PERCENTAGE OF APPLICATIONS SUBMITTED ONLINE



50,281

EXAMS ADMINISTERED

5,342

COMPLAINTS RECEIVED

346

COMPLAINTS THAT INVOLVED UNLICENSED ACTIVITY



1,131

COMPLAINTS REFERRED TO LEGAL DIVISION

268

LICENSES REVOKED

139

LICENSES SUSPENDED



\$727,359.19

CONSUMER RECOVERY ACCOUNT FUNDS PAID



361

AUDITS CLOSED



3,059

FINAL SUBDIVISION APPLICATIONS RECEIVED



4,024

LINKEDIN FOLLOWERS



23,502

TWITTER FOLLOWERS



1,009

TWITTER (SPANISH) FOLLOWERS

9,466,012

DRE WEBSITE VISITORS



547,496

eLICENSING TRANSACTIONS



102,000

CALLS HANDLED BY THE INFORMATION CENTER



18,500

EMAILS ANSWERED BY THE INFORMATION CENTER

PROTECTING CONSUMERS

DRE Enforcement

The Department of Real Estate's (DRE) Enforcement Division plays a critical role in fulfilling DRE's mission to protect consumers by enforcing the Real Estate Law, the Subdivided Lands Act, and the Vacation Ownership Time-Share Act.

DRE accomplishes this, in part, by investigating complaints against real estate licensees, subdividers, and unlicensed individuals and entities. DRE also initiates investigations based on other sources of information. These investigations determine if violations of the Real Estate Law or Subdivided Lands Act occurred and, if so, provide recommendations about the appropriate disciplinary action that should be brought against the parties involved.

Where appropriate, DRE Enforcement staff, called facilitators, may attempt to resolve disputes or minor issues between consumers and licensees or subdividers before a violation of the law occurs. Many of the issues that DRE facilitators work to resolve include a breakdown in communication between licensees and their principals. It is important to note that in many of the instances, facilitators endeavor to reestablish and facilitate communication, thus resolving the issue.



Investigative Process

If it receives a complaint, DRE will open an investigation of an alleged violation of the Real Estate Law or Subdivided Lands Act. DRE also will open an investigation if it learns of an alleged violation.

DRE staff reviews all complaints to determine if an alleged act falls within the applicable statute of limitations and if DRE has jurisdiction, specifically assessing if the complaint involves a real estate licensee, subdivider, or unlicensed person or entity who has performed acts that require a real estate license.



DRE Annual Report | Enforcement

Complaints where DRE has jurisdiction are assigned for investigation. If it is determined that there is sufficient evidence of a violation of the Real Estate Law and/or Subdivided Lands Act, the case is sent to DRE's Legal Affairs Division for consideration of administrative prosecution. In many instances, there is insufficient evidence to establish a cause for discipline because the allegations prove to be either incorrect or unsubstantiated.

DRE has multiple options of disciplinary action:

- When challenging an applicant's qualifications for licensure, DRE may file a statement of issues.
- When seeking to suspend or revoke an existing license, DRE may file an accusation.
- To stop ongoing violations of either the Real Estate Law or Subdivided Lands Act, DRE may file a Desist and Refrain Order.
- To enjoin people from working in real estate or related industries, DRE may file a bar order.

- DRE has authority to issue citations and impose fines for violations of the Real Estate Law or Subdivided Lands Act.
 - Citations issued to real estate licensees are typically for relatively minor violations of the law that do not merit greater disciplinary action.
 - DRE can issue a citation and impose a fine on an unlicensed person engaged in an activity for which a real estate license is required.

As part of the investigative process, Enforcement staff gather and review all pertinent documentation involved in the transaction as well as carefully document the testimony of witnesses. DRE approaches the investigative and disciplinary processes in a fair and impartial manner, being mindful of the confidentiality of investigations and of the rights of both licensees and consumers in seeking to achieve justice and public protection.



DRE Annual Report | Enforcement**Enforcement Achievements**

The Enforcement Division regularly participates in task force meetings with various law enforcement agencies, local real estate associations, and related industry representatives. In fiscal year 2023-24, Enforcement staff held regular meetings with ten real estate fraud task forces discussing topics such as real estate fraud, mortgage fraud, and financial/economic crimes.

In 2023-24, Enforcement received and reviewed 5,342 complaints.

- 1,719 complaints involved transaction-related issues.
- 401 primarily involved unlicensed activity.
- 1,131 cases were referred to the DRE Legal Division, recommending disciplinary action.
- DRE issued 261 citations to licensees with \$424,030 in fines assessed and 34 citations to unlicensed persons with \$241,250 in fines assessed.
- 44% of investigations were completed in less than six months.

In addition to general investigative activities and to further increase visibility and interaction with industry, the Enforcement Division continues to emphasize proactive outreach initiatives including contacting and working with local licensee organizations such as real estate, mortgage loan, property management, and escrow associations throughout the state. These connections provide both licensees and local associations with increased opportunities to interact with and meet Enforcement staff, discuss and learn about changes in the Real Estate Law, and provide comments and feedback about compliance requirements. In this past fiscal year, DRE Enforcement staff participated in over a dozen outreach events statewide with many more already scheduled for fiscal year 2024-25.

Looking ahead, DRE will continue its proactive efforts to provide information and assist the real estate community to ensure that licensees are aware of, and complying with, applicable real estate laws and regulations. 🏠

DRE LEGAL AFFAIRS

The Department of Real Estate (DRE) Legal Affairs Division plays a critical role in license application review and discipline processes, including the preparation of statements of issues to deny license applications and accusations to discipline license rights.

DRE attorneys regularly appear before administrative law judges to argue in favor of application denials or licensee discipline as part of DRE's effort to protect consumers. In fiscal year 2023-24, DRE revoked 268 licenses, suspended 139 licenses, accepted the voluntary surrender of 37 licenses, and denied 189 license applications.

The Legal Affairs Division also manages DRE's Consumer Recovery Account Fund (Fund), which is a fund of last resort where victims of real estate fraud may recover some or all of their actual losses when a licensee lacks assets to pay for that loss.

During fiscal year 2023-24, the Fund received 18 new claims for payment, paid 11 claims totaling \$727,359, and denied 15 claims. DRE paid or denied more claims than it received during the fiscal year, which is not unusual since most claims are filed during prior fiscal years and each takes more than a year to process.



DRE Annual Report | Legal Affairs

The following chart shows fiscal year 2023-24 administrative prosecutions:

Activity	Cases Filed	Order Issued
Statements of Issues	170	-
Accusations	306	-
Desist & Refrain Cases	-	28
Petitions for Reinstatement	-	109
Petitions for Removal of Restrictions	-	49
Petitions for Removal of Discipline History from DRE Website	-	55
License Revocations (including Restricted Licenses)	-	268
License Suspensions	-	139
License Surrenders	-	37
Stipulations and Waivers/ Agreements	-	115
Dismissals (Accusations or Statements of Issues)	-	79
Public Reprovals	-	4
License Denials (including Restricted Licenses)	-	189
Final Bar Orders	-	0
Total	476	1,072

DRE Annual Report | Legal Affairs

The Legal Affairs Division is committed to safeguarding consumers and upholding the standards for real estate professionals in California. For inquiries about administrative actions or the Consumer Recovery Account Fund, please visit our website at <https://dre.ca.gov/Contact.html>. 🏠



STAY INFORMED, HELP PROTECT NEIGHBORS

If you'd like to report predatory activity related to the LA fires specific to unsolicited offers to buy property under fair market value, you can email the DRE at LAFires@DRE.CA.GOV.

NEW



Two new 2025 publications are now available! The updated California Real Estate Law Book and the California Landlord/Tenant Guide are now online.

Whether you're a real estate professional, legal expert, student, landlord, property manager, tenant, or simply someone interested in understanding the legal landscape of California real estate, these comprehensive resources are now just a click away.

The latest editions feature:

- **Up-to-Date Legal Information:** Reflecting the most recent changes in California real estate laws as of January 1, 2025.
- **Accessible Anytime, Anywhere:** The online format allows you to access critical resources from desktop, tablet, or smartphone.

Both the updated California Real Estate Law Book and the California Landlord/Tenant Guide are available online to all. Simply visit <https://www.dre.ca.gov/Publications/> to start exploring today. 🏠



DRE LICENSING

Opening doors to real estate careers by managing licenses, exams, and education.

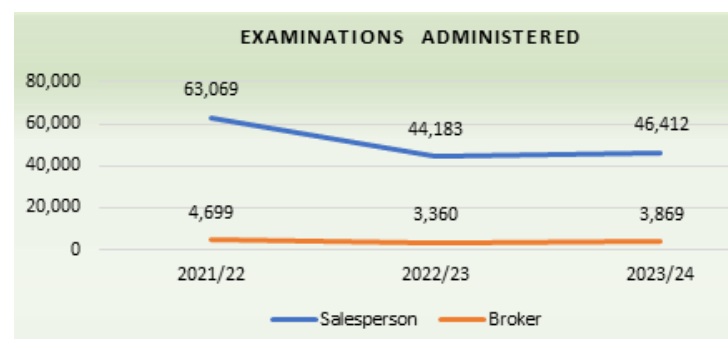
DRE's Licensing Division administers real estate license examinations and issues and renews salespersons and broker licenses. The Division also issues and renews mortgage loan originator (MLO) license endorsements through the Nationwide Multistate Licensing System (NMLS), issues approvals for pre-license and continuing education courses to private course providers, and responds to thousands of incoming calls and emails each fiscal year.

Exam Administrations

In fiscal year 2023-24, DRE administered 46,412 salespersons license exams compared to 44,183 salesperson license exams administered in fiscal year 2022-23 and 63,069 in fiscal year 2021-22 - a +5% increase and -26% decrease respectfully.

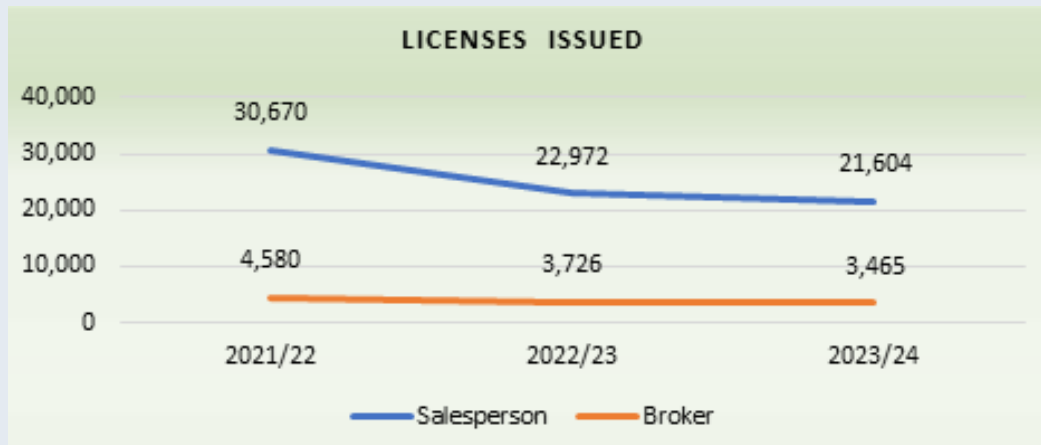
Additionally, in 2023-24, DRE administered 3,869 broker license exams compared to 3,360 in fiscal year 2022-23 and 4,699 in fiscal year 2021-22 - a +15% increase and -18% decrease respectfully.

The chart below compares the number of exams administered over the past three fiscal years.



DRE Annual Report | Licensing

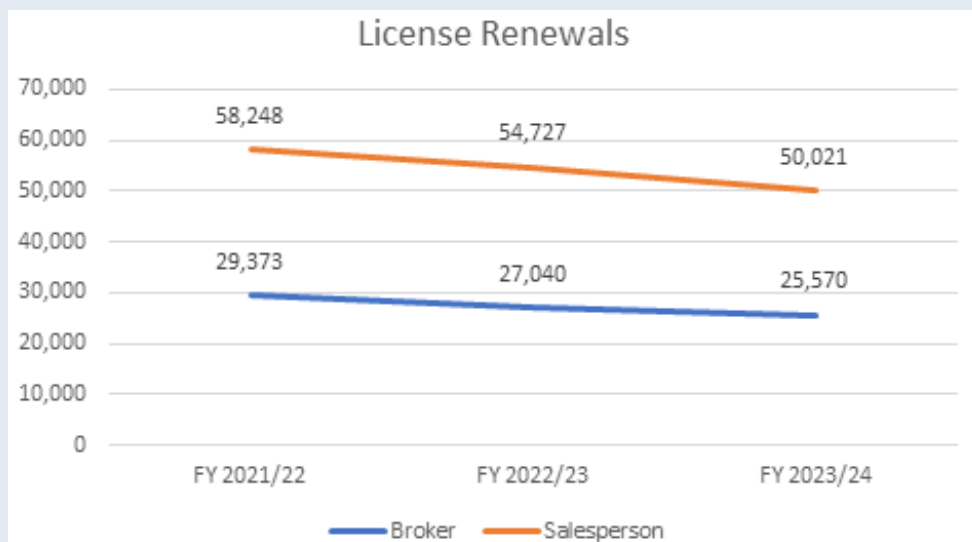
The following chart reflects a -6% decrease in the issuance of new salesperson licenses and a -7% decrease in the issuance of new broker licenses in fiscal year 2023-24 when compared to the prior fiscal year, and a -30% decrease and a -24% decrease when compared to fiscal year 2021-22.



License Renewals

The percentage of licensees who renewed their license in fiscal year 2023-24, remained consistent when compared to historical averages as 76% of salespersons and 91% of brokers renewed their licenses.

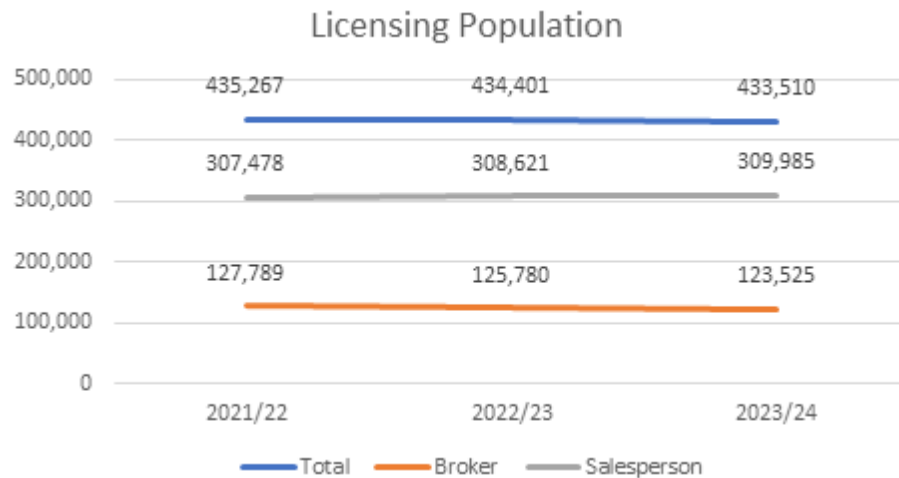
For comparison, in fiscal year 2022-23, 75% of salespersons and 91% of brokers renewed their licenses, while in fiscal year 2021-22, 80% of salespersons and 94% of brokers renewed their respective licenses.



DRE Annual Report | Licensing

License Population

At the end of fiscal year 2023-24, DRE's license population was 433,510, which included 309,985 salespersons and 123,525 brokers. The total DRE license population was down just 891 licensees when compared to the previous fiscal year.



Licensing Background Review Unit

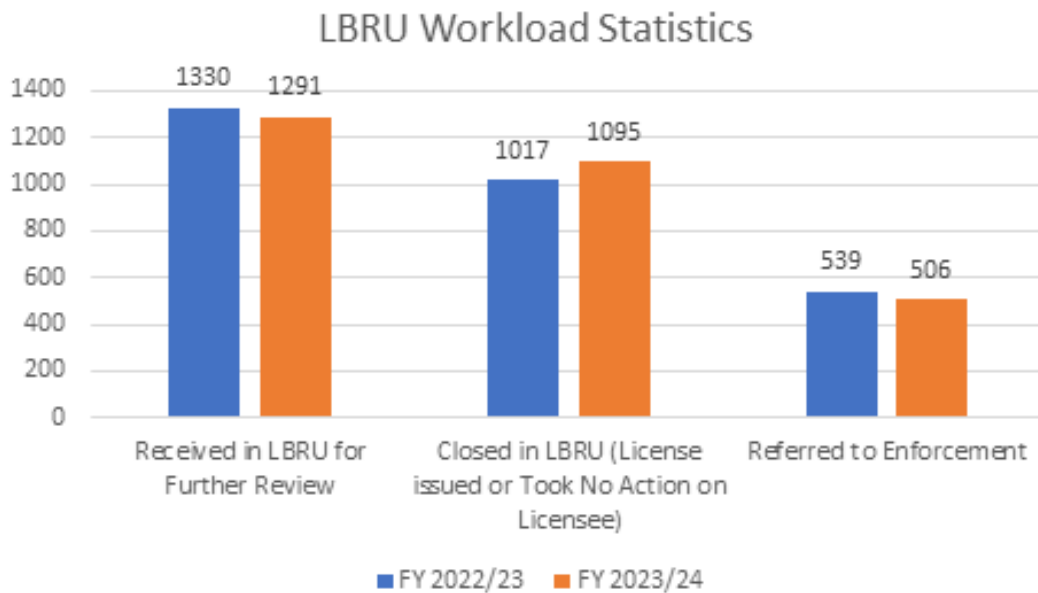
As part of the licensing process, DRE conducts a detailed background review on all applicants which includes mandatory fingerprinting. DRE may deny a license to an applicant or discipline the license of a licensee if they have been convicted of a substantially-related crime or been the subject of a professional license disciplinary action (see Commissioner Regulation Section 2910).

DRE's Licensing Background Review Unit (LBRU) collects information for background reviews which may include certified court documents, police reports, and disciplinary action documentation associated with other professional licenses. When warranted, this information is forwarded to DRE's Enforcement Division for further investigation. LBRU then recommends to Enforcement whether a license be issued, denied, or revoked.



DRE Annual Report | Licensing

The chart below shows LBRU workload statistics for fiscal years 2023–24 and 2022–23.



Information Section

DRE’s Licensing Division responds to inquiries from licensees, license applicants and others.

Fiscal year 2023–24 again saw a high call volume to DRE, and our Licensing staff handled approximately 102,000 of those calls. When contacting the Licensing Division, most callers chose to use the “Call-back” feature allowing them to leave their number in a queue for a call-back without needing to wait on hold – an enhancement that has been well-received since its implementation in 2022.

Got a Licensing Question?

@sk DRE Licensing >>>

“@sk DRE Licensing” Portal

In addition to DRE’s public phone line, applicants and licensees can submit licensing-related questions electronically to DRE. The @sk DRE Licensing [on-line messaging portal](#) is a fast and easy way to submit general licensing inquiries to DRE, and inquiries are responded to in the order in which they are received. In fiscal year 2023–24, Licensing Division staff responded to approximately 18,500 on-line inquiries.



Exam Development Process

In 2023, DRE partnered with third-party testing provider PSI Services LLC (PSI) to conduct a multi-year Exam Development Process (EDP). The purpose of the EDP is to update real estate license exams to ensure that they accurately reflect current industry practices and continue to be legally defensible.

Salespersons and brokers throughout California, along with DRE Exam Administration and Development staff and the third-party test developer, began working together to assess and identify evolving real estate job standards, exam specifications and, put simply, the level of knowledge needed to be a responsible real estate salesperson or broker who can effectively support consumers during real estate transactions.

From start to finish, the EDP consists of four phases and is expected to take approximately 18–24 months to complete:

PHASE 1 -

Occupational
Analysis

PHASE 2 -

Item
Review

PHASE 3 -

Gap Analysis
and Item
Writing

PHASE 4 -

Implementation
of New Exams

DRE Annual Report | Licensing

The first phase of the process began in the summer of 2023 and consisted of nearly 30 subject-matter experts from across the real estate industry gathering in Sacramento to develop a job analysis survey. Many of the in-the-field experts participating in the EDP are active members from a diversity of professional real estate organizations, including the Multicultural Real Estate Alliance for Urban Change, the Association of Black Real Estate Professionals, and the Asian Real Estate Association of America.



These experts reviewed and updated the essential tasks and knowledge required to perform the duties of a licensed real estate professional in the state of California. The information gathered was also used to prepare a large-scale survey sent out to California real estate licensees in September 2023.

In December 2023, DRE and its third-party test developer held a job analysis and exam specification meeting in Sacramento. Approximately 20 subject-matter experts from the real estate industry again gathered to review the results of the job analysis survey and to use those findings as the basis to update the test specifications for California's Real Estate Broker and Salesperson examinations.

Between February and June 2024, selected subject-matter experts along with DRE and the third-party test developer staff conducted the second phase of the EDP by reviewing thousands of exam questions from DRE's exam item bank to determine their accuracy and relevancy compared to today's industry practices.

The Gap Analysis and Item writing components, or Phase 3 of the EDP, kicked-off in July 2024 and included a two-day Salesperson and Broker Examination standard setting meeting hosted by PSI in October. The Implementation of New Exams, or the 4th and final phase of the EDP, is expected to occur in early 2025.

DRE is committed to ensuring that subject-matter experts participating in each phase of the EDP represent different parts of the real estate industry and the diverse regions of our state to ensure future real estate exams reflect our state's diverse marketplace.



In fiscal year 2023-24, the section reviewed and approved 237 continuing education courses, 150 statutory/pre-license courses, and 33 continuing education equivalency petitions. At the conclusion of fiscal year 2023-24, there were 63 continuing education course providers offering 530 DRE-approved courses and 163 statutory/pre-license course providers offering 868 DRE-approved courses.

Beginning January 1, 2024, all applicants for the real estate salesperson or broker examination will need to complete a revised statutory/pre-license course in the real estate practice containing the following:

- A component on implicit bias, including education regarding the impact of implicit bias, explicit bias, and systemic bias on consumers, the historical and social impacts of those biases, and actionable steps students can take to recognize and address their own implicit biases; and
- A component on federal and state fair housing laws as those laws apply to the practice of real estate. The fair housing component shall include an interactive participatory component during which the applicant shall role-play as both a consumer and real estate professional.

DRE Annual Report | Licensing

In fiscal year 2023-24, Licensing's Education and Research staff deemed 59 statutory/pre-licensure Real Estate Practice courses offered by private course providers to be SB 1495 compliant as well as approved 79 Real Estate Practice courses being offered by California Community Colleges and Universities providing applicants with many options when attempting to complete the education necessary to qualify to take either the real estate salesperson or broker licensing exam.

Looking Foward

As the Division responsible for the education, examination, and licensing statutory functions, it's necessary that DRE's Licensing Division continues to identify opportunities to improve the services provided to applicants, licensees, and consumers, as well as invest in the development of our dedicated staff to ensure they have the necessary resources and training opportunities to provide the highest levels of customer service.

In fiscal year 2024-25, Licensing plans to further enhance eLicensing to include additional electronic services for both applicants and licensees, prioritize training initiatives for both new and existing staff, and implement updated real estate exams that accurately reflect current industry practice and continue to be legally defensible. 🏠





Test Your DRE History Knowledge



1. When was the Department's website (www.dre.ca.gov) first launched?

- A. June 1996
- B. February 1998
- C. January 1994

2. In 1999, the Department's first female commissioner was appointed by Governor Gray Davis. What was her name?

3. In what year did the Department begin accepting credit card payments for examination fees?

Answers

1. The answer is A - June 1996. The Department of Real Estate's initial website included general information for consumers, information on how to obtain a real estate license, and subdivision information.
2. The answer is Paula Reddish Zinnemann. Commissioner Zinnemann was appointed on November 8, 1999.
3. The answer is 1993. As part of the Business, Transportation, and Housing Agency (BTH) Total Quality Management (TQM) project, the Department of Real Estate began taking credit card payments for examination fees via telephone, fax, and mail beginning March 15, 1993. 🏠

Mortgage Loan Activities

As part of the Department of Real Estate's (DRE) Enforcement Division, the Mortgage Loan Activities (MLA) unit is responsible for a range of oversight associated with real estate brokers who are engaged in the mortgage business, including:



- Mortgage loan compliance and enforcement:** MLA unit staff conduct investigations on a wide range of mortgage loan-related topics, including private money transactions, unlicensed loan activity, and advertising compliance. They also perform broker office surveys to review the books, accounts, and records of brokers who engage in mortgage loan and broker-controlled escrow activities both for compliance and for appropriate broker supervision. These surveys often involve working in concert with auditors from DRE's Audits Division.
 - Background investigations:** MLA unit staff conduct background investigations on salespersons, brokers, and broker/officers of corporate licensees applying for a mortgage loan originator (MLO) license endorsement. These investigations involve any prior criminal convictions, disciplinary actions, civil litigation, or other issues related to one's financial responsibility to determine if issuing a license endorsement would pose a risk to the public. In fiscal year 2023-24, MLA unit staff conducted 690 MLO background investigations.
 - Reports compliance:** Staff in the MLA unit track and monitor brokers who meet a prescribed level in private money mortgage activity (threshold brokers) and in multi-lender servicing activity (multi-lender brokers). Threshold and multi-lender brokers are required to submit quarterly and annual reports to DRE. As of the end of fiscal year 2023-24, there are 350 reporting threshold brokers and 122 reporting multi-lender brokers. The MLA unit also monitors compliance of the online submission of Business Activity Reports and Escrow Activity Reports via DRE's website, as well as the Mortgage Call Reports (MCRs) submitted in the National Mortgage Licensing System (NMLS).
 - Voluntary mortgage loan advertising reviews:** MLA unit staff review mortgage loan advertisements submitted voluntarily by brokers asking DRE to approve their ads. Brokers may submit their advertisements with the [Mortgage Loan Advertising Submittal \(RE 884\) form](#) along with the required fee for the review.
 - Voluntary mortgage loan advertising reviews:** MLA unit staff review mortgage loan advertisements submitted voluntarily by brokers asking DRE to approve their ads. Brokers may submit their advertisements with the [Mortgage Loan Advertising Submittal \(RE 884\) form](#) along with the required fee for the review.
 - Voluntary mortgage loan advertising reviews:** MLA unit staff review mortgage loan advertisements submitted voluntarily by brokers asking DRE to approve their ads. Brokers may submit their advertisements with the [Mortgage Loan Advertising Submittal \(RE 884\) form](#) along with the required fee for the review.
 - Industry and consumer resource:** Each day, staff in the MLA unit field a high volume of calls from both licensees and consumers with complaints and questions about various compliance issues. They also receive and respond to written correspondence. On average, MLA unit staff review and respond to approximately 3,500 calls and letters combined each fiscal year. In addition, staff are also involved in enforcement outreach through visits to brokers' offices and participation in industry and consumer events.
- Going forward, the MLA unit will continue its enforcement efforts while working with industry to increase knowledge and compliance in its ultimate effort to protect consumers. 🏠

DRE

SUBDIVISIONS

As part of the Department of Real Estate's (DRE) consumer protection oversight, before a subdivision can be marketed in California, a subdivider must obtain a Subdivision Public Report (California projects and timeshares) or a registration (non-California project located within the United States) from DRE's Subdivisions Division. The public report discloses to prospective purchasers pertinent information about the subdivision.



Through the public report process, DRE oversees the creation of new standard, common interest, and timeshare developments. To protect purchasers from fraud and misrepresentation, DRE maintains uniform, minimum statewide-standards for, among other things, site suitability, financing of improvements and facilities, sales agreements, purchase money handling, the release of blanket encumbrances, and vital 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.

DRE's Subdivision Division also seeks to ensure that the intricate arrangements required for managing common interest developments, including association budgets and governing documents, are established in a way that balances the needs of the subdivider with those of purchasers.

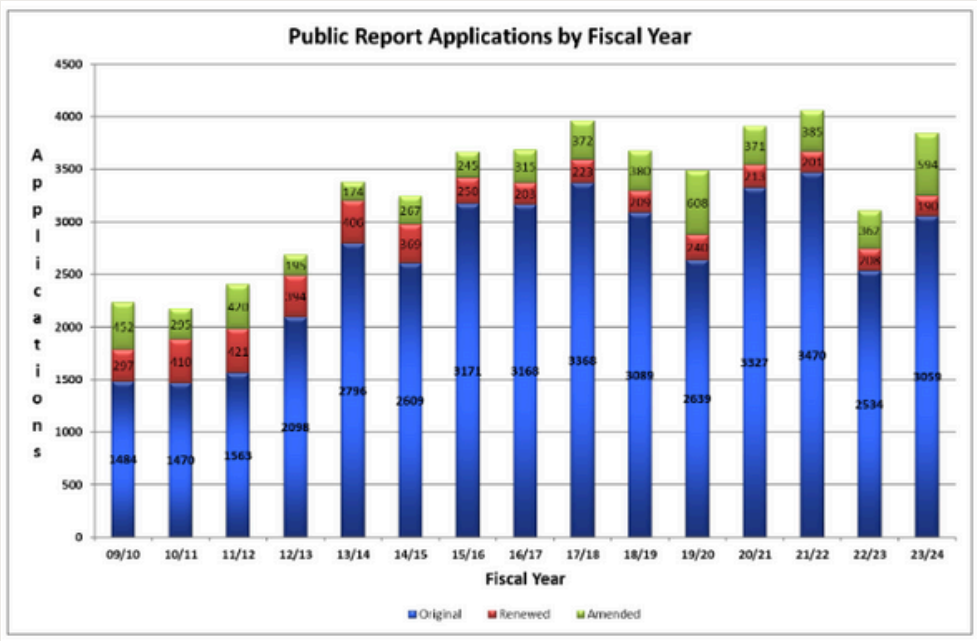


Fiscal Year 2023-24 Statistics

DRE received 3,059 Final Subdivision Public Report (original) applications in fiscal year 2023-24, which is a 20.71 percent increase from the 2,534 received during the prior fiscal year. For context, over the last 15 fiscal years, the highest number of original applications received was 3,470 in fiscal year 2021-22 and the lowest number received was 1,470 in fiscal year 2010-11 with a 15-year average of 2,656 applications per year. In fiscal year 2021-22, DRE received its highest number of original applications during that 15-year timeframe and exceeded our 15-year average by 31 percent.

Moreover, Amended Subdivision Public Report applications increased by 64.08 percent in fiscal year 2023-24, while Renewed Subdivision Public Report applications decreased by 8.65 percent during the same fiscal year.

The following chart illustrates Public Report applications over the last 15 fiscal years:



The Subdivision Division is continually evaluating subdivision development risks to ensure that consumers are protected. If you should have any subdivision related questions, please contact the Subdivision office nearest you. This information may be found on our website at <https://dre.ca.gov/Contact.html>.

DRE AUDITS

Fall/Winter 2024-25

External Audits

The Department of Real Estate's (DRE) Audits Division protects consumers by conducting financial compliance audits of both real estate licensees and subdivision developments. These audits primarily focus on the handling of trust funds by licensees and subdividers to ensure compliance with the requirements of the Real Estate Law and Subdivided Lands Law.



DRE Audits Division staff perform two types of audits:

1. Investigative Audit: Related to a public complaint or a follow-up audit to a previous disciplinary action or report.
2. Proactive Audit: Unrelated to a public complaint, routine audits are typically conducted on brokers who handle trust funds.

DRE's Audits Division audits licensees that perform the following activities: property management, mortgage loan origination and servicing, broker-controlled escrows, business opportunities, and subdivisions.

In fiscal year 2023-24 (July 1, 2023 to June 30, 2024), DRE’s Audits Division closed 361 audits – 156 investigative audits and 205 proactive audits.



The following chart breaks down the results of those 361 audits DRE performed in 2023-24:





Given the size of DRE's licensee population, our Audits Division's efforts in 2023-24 often focused on brokers who handle trust funds when performing a proactive routine audit where there was no complaint from the public. A trust account shortage occurs when the total amount of trust funds collected or held by a real estate broker exceeds the actual amount of the trust account's bank balance on any given day.

For fiscal year 2023-24, DRE's Audits Division staff found trust fund shortages totaling more than \$3.49 million:

Broker Activity	Audits Closed	Number (%) of Audits with Shortage		Dollar Amount of Shortage Found
Property Management	277	111	40%	\$3,285,513
Broker Escrow	15	2	13%	\$1,871
Mortgage Loan	48	4	8%	\$203,166
Sales/Other	21	0	0%	\$0
Total	361	117	32%	\$3,490,550

As a result of these audits, \$1.2 million of the \$3.49 million shortages were replenished into the trust accounts, with brokers making cash deposits into their trust accounts.

Internal Audits

DRE's Audits Division also performs internal audits within DRE to provide management with independent and objective guidance to mitigate risks and improve operations, as well as to assist management with completion of the State Leadership and Accountability Act Report.

Looking Forward

In fiscal year 2024-25, the Audits Division will continue to fulfill its critical public protection role by promoting compliance and enforcement of the Real Estate Law and Subdivided Lands Law and educating real estate licensees by conducting investigative and proactive audits. [🏠](#)





**Report Unsolicited Offers for
Property Below Fair Market Value
to: LA Fires@dre.ca.gov.**



DRE Mission



**To safeguard and promote the public interests in real estate
matters through licensure, regulation, education and enforcement.**