A message from Secretary Maria Contreras-Sweet.

from the Business, Transportation, and Housing Agency

California’s abundance of California roadway and is add-back natural resources combined in hundreds of miles of new High Occupancy Vehicle (carpool) lanes. Because of these efforts for the first time in decades, new, more efficient power plants are under construction or have come online, delivering much-needed megawatts of reliable electricity. At my office. California’s population has increased its energy efficient power plants are under construction or have come back on line, delivering much-needed megawatts of reliable electricity.

Building a better California means planning for the future. When the book of life three years ago, Governor Davis created the Commission on Building for the 21st Century. He asked me to co-chair this blue-ribbon council of Cali-borningians representing every base.

Brokers — A
Don’t allow property owners to have signatory or withdrawal power over your trust accounts.

Over the years, the Department has received many inquiries from property owners, mortgagees, and others seeking to have the power to make withdrawals or sign the trust account. The information that addresses this question primarily is

Real Estate Section M145. The pertinent parties are the property owner, the mortgagee, and the trustee. The intention of Section 2834 is to prevent any individual from having both the power to withdraw funds from the trust account and the power to sign the account. The regulation indicates that for trust accounts, a beneficiary is required to name a trustee, who must be a person who is not a party to the trust agreement or a beneficiary of the trust.

The information that addresses this question primarily is

Real Estate Section M145. The pertinent parties are the property owner, the mortgagee, and the trustee. The intention of Section 2834 is to prevent any individual from having both the power to withdraw funds from the trust account and the power to sign the account. The regulation indicates that for trust accounts, a beneficiary is required to name a trustee, who must be a person who is not a party to the trust agreement or a beneficiary of the trust.

Governor Davis has invested nearly $1 billion in improve transportation across California, with single largest measure to support the state’s transportation system by increasing the Muni Mates, thereby improving the Muni Mates. The Muni Mates, thereby improving the Muni Mates.

Continued on page 4
Home Loans
TeachersA
SalesA
from the California Housing Finance Agency

Selling homes to California’s public school teachers has gotten even easier.

Another new program for educators offers an 80% first loan and a 17% “silent” second loan featuring deferred payments and simple interest. The “80/17” is an innovative partnership between the California State Teachers’ Retirement System (CalSTRS) and the California Housing Loan Insurance Fund (CalHLIF), the mortgage insurance arm of the California Hous-ing Finance Agency (CHFA). The maximum combined total for the first and second loan is $450,000; in designated high-cost counties, the maximum is $550,000.

“The 80/17 can be good news for real estate licensees,” says CHFA Officer Lorrie Blevins. “Since teachers only have to qualify for a loan on 80% of the purchase price, more educators may be able to buy a home.” While 80/17 works effectively across the board, it was originally designed for those wishing to purchase a home in high-cost areas. Real estate licensees may find the 80/17 a useful tool in assisting homeowners who want to live in a certain area but can’t afford to.

Since the program went statewide last November, more than 130 applications have been received from educators, amounting to over $30 million in mortgages. Outgoing CalSTRS Chief Executive Director James D. Mosman is pleased with the partnership between CalSTRS and CalHLIF. “It sets the standard of cooperation to provide common good in California teachers reap the benefits.”

All employees of California’s public schools and members of CalSTRS are eligible for the 80/17. More information is available by calling (916) 322-8936 and participating lender information is provided on the bCalSTRS bWeb site at www.calstrs.ca.gov b.

CHFA was created in 1975 as California’s affordable housing agency to help meet the housing needs of people with low to moderate incomes. CalSTRS provides retirement benefits to California’s public school educators from kindergarten through community college and serves about 496,000 California teach-ers.

Did you know
California has the most FHA single family loan originations in the nation.
Who is watching the Web?

The Internet is redefining the traditional role of brokers in the real estate industry. It is now standard practice for salespeople to have their websites reviewed by their brokers prior to going online. This practice is based on the belief that websites should be monitored to ensure compliance with real estate laws.

Today, most real estate companies are using technology to monitor the Internet for compliance with real estate laws. This technology allows brokers to easily search and monitor websites for compliance.

Brokers interested in monitoring websites for compliance can use various online tools, such as Real Estate Search, to conduct searches. These tools allow brokers to search for websites that may be in violation of real estate laws.

In order to avoid becoming entangled in legal problems, brokers need to be aware of the laws that govern their businesses. They should also ensure that their websites are in compliance with these laws. This can be done by regularly reviewing websites for compliance and taking necessary steps to ensure compliance.

In conclusion, the use of technology to monitor websites for compliance with real estate laws is becoming increasingly important. Brokers need to be aware of the laws that govern their businesses and ensure that their websites are in compliance with these laws. This can be done by regularly reviewing websites for compliance and taking necessary steps to ensure compliance.
Signatory . withdrawal power.
Continued from page 1

Once the broker has properly deposited trust funds into his or her trust account, the broker becomes obligated by Section 10145b to fulfill the role of trustee regarding the deposited funds, is held to a fiduciary duty to the brokers’ principals, and must be liable to each principal for all disbursed funds.

Some brokers have asked, “Can I then have the owner and myself be signatories on a separate trust account just for that owner’s properties and require both of our signatures on all checks or other withdrawals?” The answer is no. The reason is that the broker would then be relinquishing his or her trustship. A practical solution that the Department may offer for this issue would be to set up two separate bank accounts. For illustration purposes, let’s call them Account A and Account B.

Account A would be a trust account that the broker uses to handle all trust funds received and disbursed for a particular property. The property owner may dictate the level of funds to be maintained in Account A and instruct the broker to transfer any excess funds from Account B to Account A directly. For example, the property owner may instruct the broker to make a transfer from Account B to Account A at the beginning or the middle of each month if the level of funds in Account A exceeds the estimated amount of normal operating expenses. Likewise, in the rare occasions when the level of funds in Account A unexpectedly falls below the estimated amount of normal operating expenses, the broker may ask the property owner to make a transfer of the amount of funds needed from Account B to Account A.

New disclosure requirement.
Right to negotiate property inspections

On January 1, 2002, Assembly Bill M52 became effective. This legislation requires broker and buyer to disclose any provision in the contract for the sale of real property that may affect the terms of the transaction. Real estate brokers and salespersons involved in the sale of real estate must disclose any provision in the contract that affects the terms of the transaction.

Property owner instructions to broker

<table>
<thead>
<tr>
<th>“A” — Broker Trust Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust funds received/disbursed form a particular property</td>
</tr>
<tr>
<td>Broker transfer 2— if funds exceed normal operating expenses</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>“B” — Property Owner Bank Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reservoir account</td>
</tr>
<tr>
<td>Property owner transfer 2— if funds fall below normal operating expenses</td>
</tr>
</tbody>
</table>

Perhaps the most difficult issue to understand regarding this issue is, “What happens when the broker dies?” When a broker dies, the funds in his or her trust account will likely become (at least temporarily) a part of his estate. But that would be true even if an owner could withdraw funds from the broker’s trust account. If an owner were to withdraw funds, a court would likely require their return until a proper determination of ownership by the estate could be made.

None of this is a new line of thought. Brokers who operate contrary to the provisions of the Real Estate Law and who dictate their professionalism are relinquishing their trustship. In doing so, any such brokers are exposing themselves to the potential for a variety of civil liabilities and legal actions, and upon the Department’s suspicion of such practices, their real estate licenses may be jeopardized.

✔ A list of actions is not published in this Bulletin until the 30-day period in which they are filed and the disciplinary action is stayed, until the stay is lifted, solved, 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 listed in parentheses after the licensee’s name. 

[REB – Realm]

Business and Professions Code

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>480(c)</td>
<td>Denial of license on grounds of false statement in licensure application</td>
</tr>
<tr>
<td>490n</td>
<td>Substantially related criminal conviction</td>
</tr>
<tr>
<td>9n</td>
<td>License obtained by fraud or misrepresentation</td>
</tr>
<tr>
<td>10130n</td>
<td>Acting without license</td>
</tr>
<tr>
<td>10137n</td>
<td>Unlawful employment or payment of compensation</td>
</tr>
<tr>
<td>10145n</td>
<td>Trust fund handling</td>
</tr>
<tr>
<td>10145(a)n</td>
<td>Trust fund handling</td>
</tr>
<tr>
<td>10145(c)n</td>
<td>Failure by salesperson to deliver trust funds to broker</td>
</tr>
<tr>
<td>10146n</td>
<td>Advance fee handling</td>
</tr>
<tr>
<td>10148n</td>
<td>Failure to retain records and make available for inspection</td>
</tr>
<tr>
<td>10159.2n</td>
<td>Failure by designated officer to supervise licensed acts of corporation</td>
</tr>
<tr>
<td>10159.5n</td>
<td>Failure to obtain license with fictitious business name</td>
</tr>
<tr>
<td>10160n</td>
<td>Failure to maintain salesperson licenses in possession of broker</td>
</tr>
<tr>
<td>10161.8n</td>
<td>Failure of broker to notify Commissioner of salesperson employment</td>
</tr>
</tbody>
</table>

Commissioner’s Regulations A

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2715n</td>
<td>Licensee’s failure to maintain current business or mailing address with DREn</td>
</tr>
<tr>
<td>2725n</td>
<td>Failure to broker to exercise reasonable supervision over then activities of his or her salesperson</td>
</tr>
<tr>
<td>2726n</td>
<td>Failure to have broker-salesperson agreements</td>
</tr>
<tr>
<td>2731n</td>
<td>Unauthorized use of fictitious business names</td>
</tr>
<tr>
<td>2752n</td>
<td>Broker’s failure to notify DRE of salesperson employment</td>
</tr>
<tr>
<td>2753n</td>
<td>Broker’s failure to retain licensee’s license at main office on return the license</td>
</tr>
<tr>
<td>2800(a)n</td>
<td>Material change in subdivision offerings</td>
</tr>
<tr>
<td>2800(p)(2)n</td>
<td>Material change - Failure to pay subdivision assessment</td>
</tr>
<tr>
<td>2831n</td>
<td>Failure to keep proper trust fund records</td>
</tr>
<tr>
<td>2831.1n</td>
<td>Inadequate separate trust fund beneficiary records</td>
</tr>
<tr>
<td>2831.2n</td>
<td>Failure to reconcile trust accounts</td>
</tr>
<tr>
<td>2832n</td>
<td>Failure to comply with trust fund handling provision</td>
</tr>
<tr>
<td>2832(a)n</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(c)n</td>
<td>Failure of broker acting as escrow holder to deposit trust funds in trust account by next business day following receipt</td>
</tr>
<tr>
<td>2832.1n</td>
<td>Failure to obtain permission to reduce trust fund balance on multiple beneficiary account</td>
</tr>
<tr>
<td>2834n</td>
<td>Trust account withdrawals by unauthorized or unbonded person</td>
</tr>
<tr>
<td>2834(b)n</td>
<td>Unauthorized or unbonded person making withdrawals from corporate trust fund account</td>
</tr>
<tr>
<td>2835n</td>
<td>Retention of broker funds in trust account</td>
</tr>
<tr>
<td>2840n</td>
<td>Failure to give approved borrower disclosures</td>
</tr>
<tr>
<td>2950(d)n</td>
<td>Failure of broker handling escrows to maintain records and account</td>
</tr>
<tr>
<td>2950(f)n</td>
<td>Failure by broker handling escrow to deposit trust funds in trust account</td>
</tr>
<tr>
<td>2950(g)n</td>
<td>Broker-handled escrow disbursement without written instructions</td>
</tr>
<tr>
<td>2950(h)n</td>
<td>Failure to advise all parties of licensee’s interest in agencyn holding escrow</td>
</tr>
<tr>
<td>2951n</td>
<td>Improper record keeping for broker handled escrow</td>
</tr>
</tbody>
</table>

REVOKE LICENSES

Fresno Region

<table>
<thead>
<tr>
<th>Name</th>
<th>License Type</th>
<th>Effective</th>
<th>Violation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bernard, Thomas James (REB)</td>
<td>555 E. Mariners Cir., Fresno</td>
<td>Effective: 11/24/01</td>
<td>Violation: 490, 10177(b)n</td>
</tr>
<tr>
<td>Cuevas, Rafael (RESA)</td>
<td>2246 Racquet Club, Los Banos</td>
<td>Effective: 10/24/01</td>
<td>Violation: 490, 10177(a)n</td>
</tr>
<tr>
<td>Elyas, Stephen (RESA)</td>
<td>235 Beech St., Bakersfield</td>
<td>Effective: 9/13/01</td>
<td>Violation: 498, 10177(a)n</td>
</tr>
<tr>
<td>Riker, Thomas Floyd (RESA)</td>
<td>344 Falcon Crest Dr., Arroyo Grande</td>
<td>Effective: 10/22/01</td>
<td>Violation: 498, 10177(a)n</td>
</tr>
</tbody>
</table>

Los Angeles Region

<table>
<thead>
<tr>
<th>Name</th>
<th>License Type</th>
<th>Effective</th>
<th>Violation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barba, Javier David (RESA)</td>
<td>13215 E. Penn St., Ste. B13, Whittier</td>
<td>Effective: 11/26/01</td>
<td>Violation: 490, 10177(b)n</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Name</th>
<th>License Type</th>
<th>Effective</th>
<th>Violation</th>
</tr>
</thead>
<tbody>
<tr>
<td>10161.8(a)n</td>
<td>Failure of broker to notify Commissioner of salesperson employment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10163n</td>
<td>Failure to obtain a branch office</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10176(a)n</td>
<td>Making any substantial misrepresentation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10176(c)n</td>
<td>Commingling trust funds with brokers funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10176(g)n</td>
<td>Secret profit or undisclosed compensation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10176(n)</td>
<td>Fraud or dishonest dealing in licensed capacity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10177(a)n</td>
<td>Procuring a real estate license by misrepresentation or material false statements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10177(b)n</td>
<td>Conviction of crime</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10177(b)n</td>
<td>Violation of real estate law or regulations</td>
<td></td>
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</tr>
<tr>
<td>10177(f)</td>
<td>Conduct that would have warranted denial of a license</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10177(g)n</td>
<td>Negligence or incompetence in performing licensed act</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10177(h)n</td>
<td>Failure to supervise salespersons or licensed acts of corporation</td>
<td></td>
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</tr>
<tr>
<td>10177(n)</td>
<td>Fraud or dishonest dealing as principal</td>
<td></td>
<td></td>
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<tr>
<td>10177(k)n</td>
<td>Violation of restricted license condition</td>
<td></td>
<td></td>
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<tr>
<td>10177.5n</td>
<td>Civil fraud judgment based on licensed acts</td>
<td></td>
<td></td>
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<tr>
<td>10229(h)(5)n</td>
<td>Failing to forward multi-lender accountant’s report to DREn</td>
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<td></td>
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<tr>
<td>10232n</td>
<td>Failure to notify DRE of threshold status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10232.2n</td>
<td>Failure to file or maintain trust fund status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10232.25n</td>
<td>Failure to file trust fund status report</td>
<td></td>
<td></td>
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<tr>
<td>10240n</td>
<td>Failure to give mortgage loan disclosure statement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11012n</td>
<td>Material change in subdivision offering without notifying DREn</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

REVOKED LICENSES

Bay Ridge Group, Inc. (RECS) 12062 Valley View St., Ste. 137, Garden Grove, Effective: 10/4/01 Violation: 2726, 2831.1n, 2831.2, 2832.1, 2834, 10145, 10148, 10177(g)(d), 10232, 10232.25n

Carrasco, Julio R. (RESA) 10226 Lakewood Blvd., Downey Effective: 11/19/01 Violation: 480(c), 10177(n)

Choi, Yong Shik (RESA) 1973 S. State College Blvd., Anaheim Effective: 11/5/01 Violation: 10177(a)(6), 10177(d)(n)

Collins, James Paul (RESA) 14682 Kelly St., Adelanto Effective: 11/13/01 Violation: 698, 10177(a)n

Collins, Desiree (RESA) 5159 Terramar Way, Oxnard Effective: 10/23/01 Violation: 490, 10177(b)n

Cruz, Julia (RESA) PO Box 40257, Downey Effective: 11/29/01 Violation: 10176(a)(i), 10177(j)n
Gross Financial Group, Inc. (RECA)
817 N. Broadway, Ste. B
Santa Ana
Effective: 9/4/01
Violation: 2752, 2840, 10161.8
10176(g), 10177(d)(g), 10240n
Right to RREC license on term and conditions

Klamath River Development Co., (RECA)
1436 Queen Summit Dr., n
West Covina
Effective: 11/29/01
Violation: 2800(a), 2800(p)(2)n
10177(d), 11012n
Right to RREC license on term and conditions

Lee, Franklin B. (REEB, REEOA)
11304/3 South St., Cerritos
Effective: 9/4/01
Violation: 2752, 2831.2, 2832, n
2835, 10145, 10159.2, 10161.8n
10165, 10177(d)(g)(k)n
Right to RREC license on term and conditions

Lugo, Kisa (RESA)
2134 Jasmine St., Oxnard
Effective: 10/25/01
Violation: 10130, 10177(d)(g)n
Right to RREC license on term and conditions

Montes, Enrique Kremen (REBA, REOA)
817 N. Broadway, Ste. B,n
Santa Anan
Effective: 9/4/01
Officer of: Gross Financial Group, Inc.
Violation: 2831, 2832, 10145.n
10159.2, 10177(d)(h)n
Right to RREC license on term and conditions

NKL, Inc. (RECA)
11304/3 South St., Cerritos
Effective: 9/4/01
Violation: 2752, 2831.2, 2832,n
2835, 10145, 10161.8, 10165,n
10177(d)(g)(k)n
Right to RREC license on term and conditions

Perez, Michelle Lynn (RESA)
129 Nantucket Ln., Aliso Viejo
Effective: 9/17/01
Violation: 498, 10177(a)n
Right to RREC license on term and conditions

Rangell, Beric Andrew (REB, REBA)
9047 Lakewood Blvd., Downey
Effective: 9/19/01
Violation: 2726, 2831.2, 2832,n
2832.1, 2950(g), 2951, 10145,n
10148, 10177(d)n
Right to RREC license on term and conditions

Reed, Barbara Carroll (REBA)
12009 Hilltop Blvd., n
Running Springs
Effective: 11/14/01
Violation: 490, 10177(b)n
Right to RREC license on term and conditions

Rezex, Abraham Julian (REB, REO)
2744 E. Florence Ave., n
St. H., Downey
Effective: 10/11/01
Violation: 10148, 10177(g)n
Right to RREC license on term and conditions

Keltner, Frederic Ken (REBA)
5553 Del Oro Dr., San Jose
Effective: 11/16/01
Violation: 2831.1, 2831.2,n
2832(a), 2832.1, 2835, 10145,n
10146, 10176(c)(g), 10177(d)n
Right to RREC license on term and conditions

Montiel, Rhene M. (REBA)
3901 Grand Ave., #200, Oakland
Effective: 10/1/01
Violation: 2832(a), 2832.1,n
2834, 10145, 10163, 10177(d)n
Right to RREC license on term and conditions

Thayer, Red Xim (RESA)
PO Box 505, Belmont
Effective: 11/7/01
Violation: 490, 10177(b)n
Right to RREC license on term and conditions

Tran, Xom Ha Minh Khanh (RESA)
926 Sundance Dr., Fremont
Effective: 11/19/01
Violation: 490, 10177(b)n
Right to RREC license on term and conditions

Sacramento Region
Burris, Mary M. (REBA)
8210 Capwell Dr., Oakland
Effective: 11/27/01
Formerly known as: Michellen Ollarn
Violation: 10177(g)n
Right to RREC license on term and conditions

King, Rebecca Lynn (REBA)
1260 Lake Blvd., Ste. 285, Davis
Effective: 10/1/01
Violation: 2715, 2831, 2831.2, 2832(a), 2832.1, 2834, 10145,n
10177(d)n
Right to RREC license on term and conditions

Zwick, Brian Mitchell (REB, REBA)
5310 Via Santander, Yorba Linda
Effective: 10/10/01
Violation: 490, 10177(b)n
Right to RREC license on term and conditions

Oakland Region
Baldini, Al A. (REBA)
20 Acorn Dr., Hillsborough
Effective: 11/5/01
Violation: 10159.2, 10177(d)(h)n
Right to RREC license on term and conditions

Clemens, James Allen (REBA)
1999 S. Bascom Ave., #480,n
Campbell
Effective: 11/20/01
Violation: 10177(d), 10234n
Right to RREC license on term and conditions

Cunningham, Mark Scott (REB)
1750 Bridgeview, Ste. 103-Bn
Sausalito
Effective: 10/25/01
Violation: 10176(a)n
Right to RREC license on term and conditions

Morris, Phillip Gay (REBA)
4550 Kearny Villa Rd., n
St. 111, San Diego
Effective: 10/1/01
Violation: 2831, 2831.2, 2832,n
2832.1, 2834, 10145, 10177(d)n
Right to RREC license on term and conditions

Perry, Ronald Walter (REBA)
3060 Bonita Rd., Ste. 201,n
Chula Vista
Effective: 11/1/01
Violation: 10159.2, 10177(d)(n)
(g)(h)n
Right to RREC license on term and conditions

Weidinger, Joseph Thomas (REBA)
3963 Gresham St., San Diego
Effective: 11/8/01
Violation: 498, 10177(a)n
Right to RREC license on term and conditions

SUSPENDED
INDEFINITELY

Los Angeles Region
Farias, Ruth Georgenne (REB, RBO)
5086 Westminster Blvd., n
Westminster
Effective: 9/17/01
Violation: 2832, 10145,n
10177(d), 10229, 10232, 25n
Suspension for 90 days

San Diego Region
Cooper, Thomas Karles (REBA, REOA)
1265 Crystal Springs Dr., n
Chula Vista
Effective: 10/3/01
Violation: 10159.2, 10177(c)(d)n
(g)(h)n
Suspension for 40 days

Scheutz, Daniel John (RESA)
4443 n St., #100, San Diego
Effective: 10/3/01
Violation: 10130, 10177(d)n
Suspension for 40 days

PUBLIC REPORVAL

Los Angeles Region
Walls, Raymond Lewis (REB, REO)
1565 Sceenic Ave., Ste. E,n
Costa Mesa
Effective: 10/22/01
Violation: 10159.2, 10177(h)n
Right to RREC license on term and conditions
SUSPENDED WITH THE STAY.

Los Angeles Region

Cestari, Mark Edward (RESA)
11407 Stonecress Ave., n
Fountain Valley
Effective: 10/22/01
Violation: 10130, 10177(d)n
Suspended for 90 days—all but n
days stayed for 1 year on terms and conditions

Clare, Aud Mikkhele (REB, REOA)
18826-B Soledad Canyon Rd., n
Santa Claritan
Effective: 9/10/01
Office of: Santa Clarita Realty, n
Inc
Violation: 10177(h)n
Suspended for 90 days—stayed f0r 2 years on terms and conditions

Kilmurray, Robert Bruce (REB)
100 S. Ola Vista, Ste. E,n
San Clemente
Effective: 10/23/01
Violation: 2831, 2832, 2832.1.n
2834, 10145(a), 10148, 10161.8.n
10176(e)(f), 10177(d)n
Suspended for 120 days—stayed f0r 2 years on terms & conditions

Leung, Jenny Myeung (REB)
18472 Colima Rd., #211,n
Rowland Heights
Effective: 11/15/01
Violation: 10137, 10177(g)n
Suspended for 90 days—stayed f0r 2 years on terms and conditions

Rook, Robert Dennis (REB)
17088 Coolfield Dr., Covina
Effective: 10/20/01
Violation: 2831, 10148.n
10177(d)n
Suspended for 90 days—stayed f0r 2 years on terms and conditions

Santa Clarita Realty, Inc. (RECA)
18826-B Soledad Canyon Rd., n
Santa Claritan
Effective: 9/10/01n
Violation: 2731, 2831.2, 2843,
20145, 10177(d)n
Suspended for 90 days—stayed f0r 2 years on terms and conditions

Talavera, Mariberto (RESA)
2544 Orange Ave., #A.n
Costa Mesa
Effective: 10/22/01
Violation: 10130, 10177(d)n
Suspended for 90 days—all but n
days stayed for 1 year on terms and conditions

W K Grant Aredit Construction, A Inc. (RECA)
106 W. Manchester Ave., #G.n
Los Angeles
Effective: 9/4/01n
Violation: 10148, 10177(d)n
Suspended for 90 days—all but n
days stayed for 2 years on terms and conditions

Zaragoza, Nector M. (REB)
121 N. State College Blvd., #4.n
Anaheim
Effective: 11/14/01n
Violation: 2731, 2840, 2950(h),
10177(d), 10240n
Suspended for 90 days—stayed f0r 2 years on terms and conditions

Oakland Region

Bar K, Inc. (RECA)
201 Lafayette Circle, Lafayette
Effective: 10/31/01
Violation: 2832, 10177(d)n
Suspended for 180 days—stayed f0r 2 years on terms & conditions

Ng, Barney Joe (REO)
201 Lafayette Circle, Lafayette
Effective: 10/31/01
Office of: Bar K, Inc.
Violation: 2832, 10177(d)n
Suspended for 180 days—stayed f0r 2 years on terms & conditions

Sacramento Region

Chandler, Sherrene Patriccia (REB)
210 Davis St., Ste. A, Vacaville
Effective: 10/4/01n
Violation: 2834, 10137, 10177(d)n
Suspended for 90 days—stayed f0r 2 years on terms and conditions

O’Connor, John Joseph (REB, REOA)
13624 Hornbrook Rd., Hornbrook
Effective: 6/13/01
Violation: 10137, 10177(d)n
Suspended for 120 days—all but n
days stayed for 3 years on terms & condition

San Diego Region

American Home Buyers Mortgage A Inc. (RECA)
1450 Frazee Rd., Ste. #006.n
San Diego
Effective: 11/29/01n
Violation: 2726, 2831, 2831.1.n
2831.2, 2832, 2834(b), 10145.n
10161.8(a), 10165, 10177(d)n
10240n
Suspended for 60 days—stayed f0r 2 years on condition

American Home Marketing, Inc. A (RECA)
1450 Frazee Rd., Ste. #006.n
San Diego
Effective: 11/29/01n
Violation: 2726, 2831, 2831.1.n
2831.2, 2834(b), 10145.n
10161.8(a), 10165, 10177(d)n
Suspended for 60 days—stayed f0r 2 years on condition

Cooper, Robert Glenn (REB, REOA)
1607 Pepperswood Dr., El Cajon
Effective: 10/3/01
Violation: 10159.2, 10177(d)n
(g)(b)n
Suspended for 10 days—stayed f0r 2 years on terms & condition

Epperson, Alan Owen (REB)
25672 Weston Dr., n
Laguna Niguel
Effective: 10/1/01n
Violation: 2726, 2831, 2832.n
10145, 10177(d)n
Suspended for 90 days—stayed f0r 2 years on terms and condition

Suggestions

Thank you to all who offered suggestions for improvement of the Real Estate Bulletin: Your ideas are still welcome. Please send them to:
Real Estate Bulletin Editor,
Department of Real Estate,
P.O. Box 187000,
Sacramento CA 95818-7000

Forness, John Krancis (REB, REOA)
7439 Jackson Dr., San Diego
Effective: 9/5/01n
Violation: 2725, 2731, 2752.n
2831, 2831.2, 2832, 2834.n
10161.8(b), 10163, 10177(d)n
Suspended for 100 days—stayed f0r 2 years on terms & condition

Krause, Jo A. (RESA)
7930 Forrestal Rd., San Diego
Effective: 10/31/01n
Violation: 10130, 10177(d)n
Suspended for 100 days—stayed f0r 2 years on terms & condition

Qualifund Financial, Inc. (RECA)
4443 n St., Ste. 100, San Diego
Effective: 10/3/01n
Violation: 10137, 10177(d)n
10240n
Suspended for 40 days—stayed f0r 2 years

Swanson, Robert Justus (REB, REO)
1450 Frazee Rd., Ste. #006.n
San Diego
Effective: 11/29/01n
Officer of: American Homem Marketing, Inc.; American Home Buyers Mortgage Inc
Violation: 10159.2, 10177(d)n
(g)(b)n
Suspended for 60 days—stayed f0r 2 years on condition

Oakland Region

Goodman, Richard Ronald (REB, REOA)
2012 Park Blvd., Oakland
Effective: 9/4/01n
Office of: Richard Goodman Mortgage Corp

Richard Goodman Mortgage Corp. A (RECA)
2012 Park Blvd., Oakland
Effective: 9/4/01n

San Diego Region

KFG Real Estate, Inc. (RECA)
4180 Ruffin Rd., Ste. 295.n
San Diego
Effective: 9/5/01n

INDEFINITE SUSPENSIONS
(under Recovery Acct. provisions)

All Kinancial Services, Inc. (RECA)
1026 Manhattan Beach Blvd., n
Ste. B, Manhattan Beach
Effective: 11/26/01n

Hernandez, Thomas Andrew (RESA)
1843 Elmhurst Cir., Claremont
Effective: 11/26/01n

Morote, Zoila K. (RESA)
9023 Florence Ave., Ste. Cn
Downey
Effective: 10/25/01n

Peck, Richard Aaron (REB)
111 Anza Blvd., #430.n
Burlingame
Effective: 9/19/01n

Willis, Michael D. (RESA)
P.O. Box 1344, Alpine
Effective: 9/19/01n

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

Los Angeles Region

Diestel, Joseph K. (RESA)
300 Catalina Dr., Newport Beach
Effective: 11/13/01n

Markarian, Markar Khosrov (REB)
535 W. Glenoaks Blvd., Glendale
Effective: 9/24/01n

Moreno, Jed R. (RESA)
515 N. Linwood, Santa Ana
Effective: 9/17/01n

Patel, Khandrakant K. (REB, REO)
PO Box 1314, Cypress
DRE employees cannot serve as expert witnesses

The Department of Real Estate (DRE) witnessed in civil, criminal or administrative proceedings, and reduced the number of activities that are incompatible with employment as a state officer or employee. The Department does not require a license for real estate transactions, but it is a state license is required for performing any activity for which a real estate license is required or receiving any consideration, other than from the Department. The number of other specifically prohibited licenses listed in the Department's activities is limited to the employee's duties within the Department, including testifying at deposition or any action (i.e., civil, criminal, administrative, etc.) to determine whether any real estate license has been filled with the obligations and duties associated with activities requiring a real estate license. In this regard, litigants should not plan on using Department of Real Estate employees as experts in any proceeding.

The Department recognizes that the Incompatible Activities Statement deprives litigants of the ability to use the expertise of DRE employees in resolving disputes. However, the Department believes that the goal of fair and impartial enforcement of the Real Estate Law is best served by insuring that its employees are neutral and interested in everything but the enforcement of the law. The Incompatible Activities Statement applies only to current employees. Therefore, persons interested in an expert in the Department of Real Estate experience are free to contact and use former DRE employees.
Predatory Lending Audits

The term “predatory lending” encompasses a variety of mortgage lending practices targeted at elderly minority home owners with high-cost, sub-prime mortgages. Typically targeted are older minority home owners who have little or no collateral and who are often pressured to accept loans that are not in their best financial interest. The Department of Real Estate’s auditor will determine whether the auditee has violated any consumer protection laws and regulations.

The new audit procedures will determine if a loan meets one or more of the following two conditions to be subject to the new law:

1. The loan must be a “consumer loan” as defined in Section 4970(d) of the Financial Code.
2. The loan must be secured by real property.

The “consumer loan” must also be a “covered loan.”

A “covered loan” is one where the original principal balance (or face value of the promissory note) of the loan is not more than $250,000, and satisfies one of the following criteria:

- The loan is secured by a single-family residence.
- The annual percentage rate is 8% more than the yield on U.S. Treasury Securities with comparable maturity dates on the 15th of the month immediately preceding the month in which the application for the loan is received by the creditor.
- The total points and fees paid by the borrower will exceed 6% of the total amount of the loan.

The new audit procedures will further determine whether the consumer was adequately informed of the prohibited acts and limitations for covered loans.

The following are examples of prohibited acts:

- A covered loan shall not include a prepayment penalty or prepayment schedule that creates a penalty for regular monthly payments on the principal balance.
- Originating a covered loan through a new loan if both loans were originated by the same person.
- A covered loan shall not contain a provision for negative amortization that reduces the borrower’s ability to repay the loan.

Governor Davis recently signed MB 873 into law. The new law is effective July 1, 2002.
Real Estate Publications

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

For your convenience, most publications are available online at http://www.dre.ca.gov.

By mail — Photocopy W MOVE THIS PAGE FROM YOUR W Real Estate Bulletin. Complete Parts W, W, and W (appropriate). W Mail W with the proper fee W Department of Real Estate, W Book Orders, P.O. Box 187006, Sacramento, CA 95818-7006.

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

By phone — Have credit card information ready, W phone W Department of Real Estate, W Book Orders desk W (916) 0853.

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

Acceptable payment methods
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- VISA and MasterCard W are accepted. W Chase DRE publications W (7.75% for mail orders). Requests and fees will be returned within 30 days of receipt. W
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The Department of Real Estate (DRE) Glossary of Real Estate Terms provides links to Chapter 29 of the Real Estate Law, Subdivided Land Law, Real Estate Law, Regulations of the Real Estate Commissioner, and other pertinent excerpts from the California Code related to real estate.

In the Spotlight
Quick links to popular topics from the main page.

What's New

2002 Real Estate Law

Escrow Violations — Can be used to determine if a specific escrow company, title company, or real estate broker is subject to administrative action by the Department of Corporations, California Department of Insurance or DRE. The DRE Information in Chinese — Helpful information about the DRE and how to file a real estate complaint is provided.

You can keep up with changes between Bullets by visiting the Bullets by visiting the Bulletin's home page.