



REAL ESTATE BULLETIN

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

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

Department of Real Estate

Winter 2005

Yield spread premiums and consumer disclosure

Most real estate licensees are familiar with the term “yield spread premium” and how this lender-paid rebate to a mortgage broker can be used for the benefit of the borrower/buyer. For those who may not be as familiar with how these rebates are generated, the following is a brief, general description:

A *yield spread premium* (also known as a “YSP”) is the compensation paid by a lender to a mortgage broker for arranging a loan to be funded by the lender at an interest rate higher than the par rate (above par). The par rate is the interest rate at which there would be no premium paid by the lender to the broker in return for a higher interest rate and at which no discount points would be paid by the borrower to the lender in return for a lower interest rate (below par). Rebates can also be generated by lenders to mortgage brokers for arranging an adjustable rate loan with a margin higher than what the lender would normally charge. The margin in an adjustable rate loan is the component that is added to the index value to calculate the fully indexed rate. The higher the margin, the higher the interest rate, hence the rebate to the mortgage broker.

As mentioned above, these rebates can be used by mortgage brokers as a mechanism to assist the borrower/buyer in paying for loan related non-recurring closing costs without paying cash at



Message from Commissioner Davi

“Compliance, compliance, compliance...”

The concept being, that as licensees interact with their clients as well as each other, careful attention must be given to achieving compliance with all applicable laws. In the many facets of the industry, from mortgage brokerage, to real estate sales, to property management, licensees need to make certain that they are in compliance with all the legal requirements including, but not limited to, any and all mandated disclosures. In your contact with the public, there is the potential in every transaction or communication to act in a way that would not be in compliance with the law. Doing so would jeopardize your success, and more importantly, risk placing the consumer in harms way.



Instead, we all must realize that compliance is of utmost importance and an occasional reminder of that is helpful for all licensees. In addition, I am reminded of how the real estate licensee population has grown to its current level. The licensee population now exceeds 470,000. Putting things in perspective, that number has increased by 100,000 from last year. Any time an industry experiences this kind of growth, there is going to be pressure placed on its activities. From a regulatory standpoint, there are bound to be more complaints and disciplinary actions filed. DRE is experiencing that and is making attempts to accommodate that increase so processing timeframes are kept in check. This kind of growth in licensees also places a burden on all of you in the field as well. You are going to undoubtedly interact with others in the industry with diverse backgrounds and varying levels of experience. It is how you address these situations and each other that will shape this industry over the next decade.

Today, there are so many issues facing the industry that it is important that with respect to all of your day to day interactions with each other, you proceed carefully, respectfully, and in compliance with applicable laws. We undoubtedly will continue to see changes in the industry, but with the proper focus and using compliance with the law as your beacon, it is expected that the direction chosen by licensees will be the right one. 🏠

closing. The buyer pays an above par interest rate in return for the benefit of using the lender-paid rebate to pay loan costs, including the mortgage broker’s origination/broker fees. The consumer pays the costs and fees through a higher interest rate and the resulting payments. The arrangement can be a benefit to the consumer who wishes to use cash reserves for other purposes or who does not intend to own the property for an

extended number of years thus paying points and fees at closing may not make financial sense. The options of how to pay closing costs is part of the discussion between the mortgage broker and consumer to determine the best financing strategy. It also depends heavily on full and complete disclosure to the consumer as to the amount of the rebate and how it will be disbursed.

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STATE OF CALIFORNIA

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(For the deaf and hearing impaired)

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

Examination and licensing program update

The Examination and Licensing Program is responsible for the administration of real estate license examinations as well as the issuance and renewal of salesperson and broker licenses.

Examination and License Activity

In fiscal year 2004-05 (July 1 to June 30), the DRE scheduled 214,086 salesperson and 25,740 broker examinations. Compared with the last two fiscal years the number of salesperson examinations increased by 49% (2003-04) and 99% (2002-03). The number of broker examinations increased by 20% and 76% respectively. The increase in examinations resulted in the issuance of 60,075 original salespersons and 11,409 original broker licenses last fiscal year. License renewals increased overall as total salesperson renewals went up by 1% and broker renewals by 5%.

Population

The number of licensees had previously peaked in fiscal year 1991-92 with a total of approximately 376,000. Fiscal year 1992-93 started a downward trend, with the trend ending in September 1998, when the number of licensees dropped to 295,527. Since then, the number of licensees has steadily increased and at the end of fiscal year 2004-05, the licensee population totaled 449,107, which included 127,179 brokers and 321,928 salespersons. This is an increase of 14% over the number of licensees at the end of previous fiscal year. As of October 1, 2005, the licensee population was 462,774.

Improvements

To better serve examinee applicants, the DRE has contracted with CPS Human Resource Services to conduct real estate broker and salesperson examinations at their offices in Anaheim, Fresno, Glendale, Redding, Riverside, Oakland, Sacramento, San Bernardino, San Diego, San Jose and Santa Maria. The DRE continues to provide examinations at our offices in Fresno, Los Angeles, Oakland, Sacramento and San Diego. The DRE's agreement with CPS not only provides an expanded capacity to help accommodate the large number of examination applicants, it also provides additional locations that make it more convenient for them to travel to the examination.

To better serve license applicants, the DRE continues to add features to the DRE website www.dre.ca.gov to provide examinees, license applicants and licensees with efficient ways to interact with the DRE. In this regard, the majority of expiring licensees are now able to renew their licenses online, salesperson licensees can be added and/or deleted from the employ of a broker and brokers can make main office address changes via eLicensing. Additionally, licensees can make mailing address changes and order duplicate licenses. Last fiscal year there were approximately 350,000 eLicensing transactions processed by examinees and licensees on the DRE website and since the launching of eLicensing in September 2002, more than 611,000 transactions have been completed. The DRE expects to continually update and increase the services available on its website.

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Yield spread premiums

Continued from page 1

It is recognized that these rebates are not always used by the mortgage broker for the consumer's benefit. Some brokers either completely fail to disclose the rebates or disclose a small rebate or fee to the client only to receive substantially more at closing. Business and Professions Code Section 10240 requires that a real estate broker negotiating a loan give a mandated disclosure statement to the borrower within 3 days of receiving the loan application. The purpose of the disclosure statement is to give the client a "good faith" estimate of the costs, expenses and terms of the loan, including the broker's compensation whether paid directly by the borrower or paid by the lender in the form of a yield spread premium or other rebate. When the material information given in the up-front disclosure changes during the course of the transaction, the broker is required to advise the consumer of the new information in order to allow sufficient time for the consumer to approve it or restructure the transaction. Business and Professions Code Section 10176(a) gives the Department of Real Estate the authority to discipline a real estate licensee for making substantial misrepresentations or omitting material facts to the principal in a transaction.

A recent DRE investigation into a corporate real estate broker's practices revealed a pattern of initially disclosing to clients that the broker would receive a *small* yield spread premium as part of the broker's compensation. Without disclosing the true facts until or just before escrow closing, the broker would actually collect *substantially higher*

commissions, fees and rebates than those initially disclosed. A review of loan files disclosed ten transactions in which the broker collected overcharges ranging from \$840 to \$4,640. In each of these loan transactions, the broker substantially misrepresented the true amount of compensation being earned — information that was material to the borrowers' decisions to complete the transactions. In addition, the broker failed to deliver the required disclosure statement and/or failed to retain a true and correct copy of the disclosure statement in several transactions. The investigation also revealed that the designated officer failed to exercise reason-

than the consumer would have authorized, it will generally be too late to delay closing in order to renegotiate the compensation or interest rate. Mere inclusion of the rebate as a "Paid Outside Closing" item on the HUD-1 Closing Statement does not constitute a material disclosure of the facts when the consumer, had he or she known the true facts, would not have completed the transaction as structured. Generally, in this type of case, the rebated funds are not used for the consumer's benefit but to increase the broker's profit.

Inquire about mortgage brokers' disclosed compensation and be on guard with respect to undisclosed commissions and fees.

able supervision over the activities of the licensed corporation and employees and, that failure allowed the practices to occur. As a result, the licenses of both the corporation and designated officer were disciplined.

Typically, in a refinance or purchase, the borrower/buyer has spent weeks or months waiting for various aspects of the transaction to come together. The consumer either has to meet a definite closing date in a purchase transaction or has made specific plans for the loan funds in a refinance. When a consumer becomes aware that the broker is receiving more compensation than was originally disclosed, and more

Yield spread premiums and other lender-paid rebates can be excellent tools for mortgage brokers to use in helping to structure loan transactions that benefit their clients. When these rebates are largely hidden from the view of the consumer until it is too late, the consumer is harmed and the reputation of the whole industry is damaged. The Department pursues consumer complaints of misrepresentation and dishonest dealing, as in the case illustrated above, and will take disciplinary action against those licensees who engage in such activity.

Real estate agents and brokers representing buyers are encouraged to inquire about the mortgage broker's disclosed compensation and to be on guard with respect to undisclosed commissions and fees, especially yield spread premiums and other rebates. Questions regarding rebates and how they will be used should be asked early on in the transaction to avoid costly misunderstandings or outright misrepresentations. 🏠

Exam and licensing update

Continued from page 2

The Examination and Licensing Sections in Sacramento received in excess of 1,420,000 telephone inquiries last fiscal year. This number is more than double the number of telephone inquiries that were received in fiscal year 2000-01. To help address the increased workload, the DRE continues to analyze its licensing processing procedures and methods of communication to the public. This includes a telephone system study to improve service for the increasing volume of calls that the DRE is receiving and the potential for expansion of online capabilities. 🏠



1099 reporting for real estate brokers

From the Franchise Tax Board

Real Estate Brokers are required to report real estate commission payments of \$600 or more to brokers and agents on Form 1099-MISC, Box 7 – *Nonemployee Compensation*.

The following scenarios describe who is obligated to report commission payments.

Scenario (1)

Mr. Smith is selling his residential property and lists his house with Agent Jones, an agent with XYZ Realtors. Mr. Brown makes an offer to purchase the home using Agent White, an agent with HJK Realty. The offer is accepted and escrow closes.

The 1099-MISC reporting obligations for the commission payments are as follows:

- Mr. Smith (seller) does not have a reporting obligation since he has not engaged in the course of a trade or business.
- XYZ Realtors (listing broker) has an obligation to report commission payments made to HJK Realty (buyer's broker).
- XYZ Realtors (listing broker) has an obligation to report commission payments made to Agent Jones (listing agent).

- HJK Realty (buyer's broker) has an obligation to report commission payments made to Agent White (buyer's agent).
- Mr. Brown (buyer) does not have a reporting obligation.

The listing broker must report the commission payments made to the buyer's broker and the listing agent. Also, the buyer's broker must report the commission payments made to the buyer's agent.

Scenario (2)

Mr. Green is selling his residential property and lists his house with Agent House, a broker/agent with SSS Realtors. Ms. Baker makes an offer to purchase the home using Agent Lewis, an agent with QRS Realty. The offer is accepted and escrow closes.

Here are the 1099-MISC reporting obligations for the commission payments:

- Mr. Green (seller) does not have a reporting obligation since he has not engaged in the course of a trade or business.
- SSS Realtors (listing broker/listing agent) has an obligation to report commission payments made to QRS Realty (buyer's broker).

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Summary of 2005 legislation

October 10, 2005 marked the end of the first year of the two-year legislative session during which 961 bills wound their way through the process and landed on the Governor's desk. Of these bills, 729 were signed into law and 232 were vetoed. The following brief legislative summaries are of significant 2005 legislation affecting real estate licensees and subdividers. These summaries are intended to alert you to pertinent changes to the law. We encourage you to consult the statutes for complete information. Copies of the bills can be obtained on-line at www.leginfo.ca.gov. Please note that "SB" refers to a Senate bill and "AB" to an Assembly bill. The name appearing after the bill number is the name of the author. All statutes are effective January 1, 2005 unless otherwise noted.

AB 14 (Harman) Subdivisions (Chapter 281)

AB 14 prohibits a county assessor from assigning parcel numbers or taking other actions with respect to subdividing existing residential properties until the subdivision final map or parcel

map has been recorded. This bill was sponsored by the author in response to the illegal conversion of duplexes and fourplexes into condominiums in the Southern California region.

AB 223 (McLeod) Continuing Education Requirements (Chapter 183)

AB 223 expands the mandatory continuing education course requirements for renewal of a real estate license to also include a 3-hour course in risk management. The course will cover topics that include principles, practices, and procedures calculated to avoid errors and omissions in the practice of real estate licensed activities. *This bill does not affect the total number of continuing education hours (45) needed for license renewal.* In order to allow time for the course to be developed and made available to licensees, AB is not effective until July 1, 2007. The California Association of Realtors sponsored AB 223.

AB 394 (Niello) Discriminatory CCRs; removal (Chapter 297)

AB 394 continues the efforts of recent legislation to delete or void discriminatory restrictions from property deeds by extending the illegality of discriminatory restrictions to the Covenants, Conditions and Restrictions (CC&Rs) of homeowner associations (HOAs). Specifically, this bill revises an existing process for deleting unlawfully restrictive covenants from the governing documents for real property. AB 394 authorizes a homeowner who believes his or her property is the subject of an unlawful restrictive covenant based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, sources of income or ancestry to record a document titled Restrictive Covenant Modification, which would include a copy of the original document with the illegal language stricken. AB 394 was sponsored by the author.

AB 459 (Oropeza) Property Tax Disclosure (Chapter 392)

AB 459 sets forth new disclosure requirements for developers and indi-

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Disciplinary Action: June, July, August 2005



✓A list of actions is not published in this *Bulletin* until the 30-day period allowed for court appeal has expired, or if an appeal is filed and the disciplinary action is stayed, until the stay is dissolved. Names of persons to whom licenses are denied on application are not published.

Licensees are listed alphabetically by the District Office region of responsibility.

The license type is listed in parentheses after the licensee's name. [REB – Real estate broker; RREB – Restricted real estate broker; RES – Real estate salesperson; RRES – Restricted real estate salesperson; PRLS – Prepaid rental listing

service; RPRLS – Restricted prepaid rental listing service; REO – Real estate officer; REC – Real estate corporation]

Below are brief summaries of various regulations and code sections. The full text of the sections is available on the DRE Web site www.dre.ca.gov under Real Estate Law and/or Regulations.

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

Commissioner's Regulations

- 2715 Licensee's failure to maintain current business or mailing address with DRE
- 2725 Failure of broker to exercise reasonable supervision over the activities of his or her salespersons
- 2726 Failure to have broker-salesperson agreements
- 2731 Unauthorized use of fictitious business name
- 2742(a) Failure to file Certificate of Status with corporate license application
- 2742(c) Failure of corporation to be in good standing
- 2752 Broker's failure to notify DRE of salesperson employment
- 2753 Broker's failure to retain salesperson's license at main office or return the license at termination of employment
- 2831 Failure to keep proper trust fund records
- 2831.1 Inadequate separate trust fund beneficiary records
- 2831.2 Failure to reconcile trust account
- 2831(a)(6) Failure to list identity of other depository and the date funds were forwarded with respect to trust funds not deposited in a trust account
- 2832 Failure to comply with trust fund handling provisions
- 2832.1 Failure to obtain permission to reduce trust fund balance in a multiple beneficiary account
- 2832(e) Failure of broker acting as escrow holder to deposit trust funds in trust account by next business day following receipt
- 2834 Trust account withdrawals by unauthorized or unbonded person
- 2835 Retention of broker funds in trust account
- 2835(b) Failure to disburse broker's portion of trust funds within 25 days of receipt
- 2840 Failure to give approved borrower disclosure
- 2950 Violation of broker-controlled escrow requirements
- 2950(d) Failure of broker handling escrows to maintain records and accounts
- 2950(f) Failure to deposit escrow trust funds
- 2950(g) Broker-handled escrow disbursement without written instructions
- 2950(h) Failure by broker handling escrow to deposit trust funds in trust account
- 2951 Improper record keeping for broker handled escrows

Business and Professions Code

- 490 Substantially related criminal conviction
- 480(a) Denial of real estate license on grounds of conviction of crime, dishonest or fraudulent act, or act which would warrant suspension or revocation of license
- 498 License obtained by fraud or misrepresentation
- 499 False statement in support of another person's license application
- 10130 Acting without license
- 10137 Unlawful employment or payment of compensation
- 10140 False advertisement
- 10145 Trust fund handling
- 10145(a) Trust fund handling
- 10145(g) Failure to maintain a separate record of receipt & disposition of all trust funds

- 10159.2 Failure by designated officer to supervise licensed acts of corporation
- 10159.5 Failure to obtain license with fictitious business name
- 10160 Failure to maintain salesperson licenses in possession of broker
- 10161.8 Failure of broker to notify Commissioner of salesperson employment
- 10163 Failure to obtain a branch office license
- 10176.5 Willful or repeated transfer disclosure statement violations
- 10176(a) Making any substantial misrepresentation
- 10176(g) Secret profit or undisclosed compensation
- 10176(i) Fraud or dishonest dealing in licensed capacity
- 10177(a) Procuring a real estate license by misrepresentation or material false statement
- 10177(b) Conviction of crime
- 10177(d) Violation of real estate law or regulations
- 10177(f) Conduct that would have warranted denial of a license
- 10177(g) Negligence or incompetence in performing licensed acts
- 10177(h) Failure to supervise salespersons or licensed acts of corporation
- 10177(j) Fraud or dishonest dealing as principal
- 10177(k) Violation of restricted license condition
- 10177.5 Civil fraud judgment based on licensed acts
- 10232.25 Failure to file trust fund status reports
- 10233 Failure of MLB to have written loan servicing contract
- 10236.4 Failure to include license number or DRE license information telephone number in documents
- 10240 Failure to give mortgage loan disclosure statement
- 10240(c) Failure to give good faith estimate and other mortgage loan disclosures
- 11019(b) Noncompliance with Desist and Refrain Order

REVOKED LICENSES

Fresno Region

Alba, J. R. (RES)

PO Box 5371, Fresno
Effective: 6/14/05
Violation: 490, 10177(b)

Anselmi, Renee Patsy (RES)

825 Riverside Ave., #5C, Paso Robles

Effective: 8/31/05
Violation: 490, 10177(b)

Hunt, Kristine Lyn (RES)

PO Box 2363, Aptos
Effective: 6/28/05
Violation: 490, 10177(b)

Los Angeles Region

Abdelrahim, Ghalib Abdelghani (RES)

2940 W. Lincoln Ave., #D196, Anaheim
Effective: 6/24/05
Violation: 490, 10177(b)

Allanson, Andrew Neal (RES)

39263 Botticelli Dr., Palmdale
Effective: 6/16/05
Violation: 490, 10177(b)

Assured Funding Corporation (REC)

791 E. Foothill Blvd., Ste. N, Upland
Effective: 8/29/05
Violation: 2731, 2752, 2832, 2840, 10145, 10161.8, 10177(d)

Avila, Reyna (RES)

2570 E. Slauson Ave., Ste. E, Huntington Park
Effective: 8/25/05
Violation: 490, 10177(b)(f)

Barrie, Rebecca Lynn (RES)

760 W. Lomita Blvd., #9, Harbor City
Effective: 7/18/05
Violation: 490, 10177(b)

Becker, Jo Anne (RES)

2559 E. Harbor Blvd., #1, Ventura
Effective: 7/13/05
Violation: 490, 498, 10177(a)(b)



- Bedard, Maurice Clement Jr. (RRES)**
665 N. Treemont Pl., #104,
Corona
Effective: 8/8/05
Violation: 490, 10177(b)
- Beery, Michael James (RES)**
6 Brookpine, Irvine
Effective: 8/8/05
Violation: 490, 10177(b)
- Benny, Forrest (RES)**
2911 S. Bristol St., #B, Santa Ana
Effective: 6/9/05
Violation: 490, 10177(b)
- Binns, Dan Aaron (RES)**
5911 Garth Ave., Los Angeles
Effective: 8/10/05
Violation: 490, 10177(b)
- Bishop, Darron Marlon (RES)**
8201 Summertime Ln.,
Culver City
Effective: 8/9/05
Violation: 490, 10177(b)
- Contreras, Christopher Anthony (RES)**
10400 Arrow Rte, #0-9,
Rancho Cucamonga
Effective: 8/9/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
- Davoodi, Alfred (RES)**
2919 Mary St., La Crescenta
Effective: 8/18/05
Violation: 490, 10177(b)
- Diaz, Alicia Salinas (RES)**
13977 Mulberry Dr., Whittier
Effective: 6/9/05
Violation: 490, 10177(b)
- Franco, Sandra V. (RES)**
11728 Broadfield Dr., La Mirada
Effective: 8/16/05
Violation: 490, 10177(b)
- Garcia, Rafael Jr. (RES)**
11218 Skyview Ln., Alta Loma
Effective: 7/25/05
Violation: 490, 10177(b)
- Giordano, Charles Joseph (RES)**
66435 Pierson Blvd.,
Desert Hot Springs
Effective: 8/8/05
Violation: 490, 10177(b)
- Gonzalez, Daniel Garza (RES)**
141 South A St., Oxnard
Effective: 7/13/05
Violation: 490, 10177(b)
- Houg, Christopher Philip (RES)**
1403 N. Tustin Ave., Santa Ana
Effective: 8/24/05
Violation: 490, 10177(b)
- Johanson, John Edwin (RES)**
4642 E. Chapman Ave., #164,
Orange
Effective: 8/18/05
Violation: 490, 10177(b)
- Jones, Allen Joseph (RES)**
1300 Eastman Ave., Ventura
Effective: 6/16/05
Violation: 490, 10177(b)
- Kostikyan, Joe (RES)**
16306 Blackhawk St.,
Granada Hills
Effective: 7/29/05
Violation: 490, 10177(b)
- Lascano, Steven Ronald (RES)**
23011 Lipton, Lake Forest
Effective: 6/29/05
Violation: 490, 10177(b)
- Lorden Leasing and Real Estate Services, Inc. (REC)**
10687 Santa Monica Blvd., #4,
Los Angeles
Effective: 7/5/05
Violation: 10167.9(a)(c),
10167.10, 10167.11,
10167.12(a),
10177(d)(g)
- McFadden, Gerald M. (RES)**
1147 N. Beachwood Dr.,
Los Angeles
Effective: 7/18/05
Violation: 490, 10177(b)
- McKnight, Richard Christopher Glen (RES)**
4909 Lakewood Blvd., Top Floor,
Lakewood
Effective: 8/8/05
Violation: 490, 10177(b)
- McMahan, Gregory Edward (RES)**
3050 E. Frontera St., #12,
Anaheim
Effective: 6/9/05
Violation: 490, 10177(b)
- Murillo, Frank Colom (RES)**
P.O. Box 546, Brea
Effective: 8/9/05
Violation: 490, 10177(b)
- Myers, Howard D. (RES)**
525 N. Cabrillo Park Dr., #104,
Santa Ana
Effective: 8/8/05
Violation: 490, 10177(b)
- Nguyen, Tien Thi (RES)**
323 19th St., #1,
Huntington Beach
Effective: 8/15/05
Violation: 490, 10177(b)
- Nielson, Larry J. Jr. (REB, REO)**
525 N. Cabrillo Park Dr.,
Ste. 104, Santa Ana
Effective: 8/9/05
Violation: 490, 10177(b)
- Nolasco, Manuel (RES)**
1403 N. Tustin Ave., Santa Ana
Effective: 7/18/05
Violation: 490, 498, 10177(a)(b)
- Porter, Wendy Laurie (RES)**
P.O. Box 2324, Fontana
Effective: 7/26/05
Violation: 490, 10177(b)
- Qiao, Xi (RES)**
9531 Ardenale, Arcadia
Effective: 6/7/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
- Ramirez, Elim Antonio (RES)**
12902 McKinley Ave.,
Los Angeles
Effective: 6/13/05
Violation: 490, 10177(b)
- Richie, Preston Elijah III (RES)**
17045 Passage Ave., #10,
Bellflower
Effective: 7/20/05
Violation: 490, 10177(b)
- Rivas, Alberto Jose (RES)**
8309 Clarinda Ave., Pico Rivera
Effective: 6/6/05
Violation: 490, 10177(b)
- Romero, Griselda (RES)**
P.O. Box 330761, Pacoima
Effective: 7/14/05
Violation: 10176(a)(i), 10177(g)
- Salcedo, Julia H. (RES)**
9760 Jersey Ave., #173,
Santa Fe Springs
Effective: 6/27/05
Violation: 490, 10177(b)
- Saunders, James Allen III (RES)**
22978 Cabrillo Ave., Torrance
Effective: 6/27/05
Violation: 490, 10177(b)
- Silva, Bill Ernesto (REB)**
404 Conestoga Rd., San Dimas
Effective: 7/8/05
Violation: 10130, 10145(a),
10176(i), 10177(d)(j),
10236.4
- Stern, Yoram (REB, REO)**
6360 Van Nuys Blvd., #200,
Van Nuys
Effective: 6/17/05
Violation: 10177.5
- Tait, Connie Lee (RES)**
3271 Dulzura Dr.,
Hacienda Heights
Effective: 8/4/05
Violation: 10177.5
- Tenney-Robinson, Wanda L. (REB, REO)**
5230 Pacific Concourse Dr.,
#200, Los Angeles
Effective: 6/16/05
Violation: 2831.1, 2831.2, 2832,
2832.1, 2840,
2950(d)(e)(g)(h),
2951, 10137, 10145,
10148, 10176(e),
10177(d)(g)(k),
10240
- Vasquez, Jaime Eduardo (RES)**
1201 S. Euclid St., Anaheim
Effective: 8/18/05
Violation: 490, 10177(b)
- Yeung, Eliza O. (REB)**
6519 Bayberry St., Oak Park
Effective: 6/30/05
Violation: 490, 10177(b)
-
- Oakland Region**
- Alexander, Elaine S. (RES)**
1168 Koch Ln., San Jose
Effective: 7/13/05
Violation: 490, 10177(b)
- Estillore, Gloria Alcorde (RRES)**
P.O. Box 2327, Cupertino
Effective: 7/20/05
Violation: 490, 10177(b)
- Mattox, Hosie Jr. (RES)**
2304 Redwood Rd., Hercules
Effective: 6/14/05
Violation: 490, 10177(b)
- Mendoza, Wilfredo Orlando (REB)**
6202 Plumas Ave., Richmond
Effective: 7/22/05
Violation: 490, 10177(b)
- Mohammadi, Kaseem (RES)**
32489 Seaside Dr., Union City
Effective: 6/2/05
Violation: 10130, 10177(d)
- Nguyen, Truc T. (RES)**
2038 Amur Ct., Milpitas
Effective: 6/15/05
Violation: 490, 10177(b)
- Sanchez, Juan Carlos (RES)**
2221 Whitman Way, #8,
San Bruno
Effective: 8/9/05
Violation: 490(a), 10177(b)
- Santos, Ronald Palana (REB)**
1792 Technology Dr., San Jose
Effective: 6/2/05
Violation: 10130, 10137,
10177(d), 10240
- Terry, Donna Jeanne (RES)**
517 Blossom Hill Rd., Apt. B1,
Los Gatos
Effective: 7/12/05
Violation: 490, 10177(b)
- Trosclair, Tealya Lee (RES)**
4217 Spaulding St., Antioch
Effective: 7/13/05
Violation: 490, 10177(b)
- Wang, Chen Chi (REB)**
195 Brookwood Rd., Woodside
Effective: 11/06/02
Violation: 10177(d), 11019(b)
- Weeks, Randall Lawrence (REB)**
PO Box 3320, Walnut Creek
Effective: 8/15/05
Violation: 490(a), 10177(b)
- Wong, Joyce (RES)**
1843 33rd Ave., San Francisco
Effective: 6/14/05
Violation: 490, 10177(b)
- Zeng, Xiaoling (RES)**
660 Yampa Way, Fremont
Effective: 8/23/05
Violation: 490, 10177(b)
-
- Sacramento Region**
- Alexander, Kenneth James (RES)**
216 W. Liberty Rd., Gridley
Effective: 8/23/05
Violation: 490, 10177(b)
- Bellefeuille, Brenda Lee (RES)**
420 McKnight Ln., Vacaville
Effective: 6/28/05
Violation: 490, 10177(b)
- Berger, Muril Jeanne (RES)**
P.O. Box 1102, Galt
Effective: 7/18/05
Violation: 490, 10177(b)
- Delgado, Linda G. (RES)**
P.O. Box 622, Palo Cedro
Effective: 7/14/05
Violation: 490, 10177(b)
- Dumas-Kidd, Mona (RES)**
4723 Cherub Way, Tracy
Effective: 7/12/05
Violation: 490, 10177(b)



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

Brokers:

- e Add/change main office address
- e Certify salesperson employment
- e Discontinue salesperson employment
- e Renew license
- e Request duplicate license
- e Change mailing address

Salespersons:

- e Add/change employing broker
- e Change mailing address
- e Renew license

Examination Services:

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

PLEASE NOTE: Unless you are a first-time salesperson examination applicant, you must have an existing examination record or license on file with the DRE to use eLicensing.

Ellis, Geroge Noble (RES)
695-950 Merrillville Rd.,
Susanville
Effective: 6/27/05
Violation: 490, 10177(b)

Fleig, Brian B. (RES)
5639 Fair Oaks Blvd., Carmichael
Effective: 6/16/05
Violation: 490, 10177(b)

Gunn, Jack Lee (REB)
23120 Lone Pine Dr., Auburn
Effective: 7/14/05
Violation: 490, 10177(b)

Jordan, Willoughby Tillis III(REB)
1103 Holly Dr., Tracy
Effective: 6/20/05
Violation: 2831, 2831.1, 2831.2,
2832.1, 10130,
10145, 10177(d)

Lyon, Mardel Kay (RES)
14700 Locust Tree Rd., Lodi
Effective: 6/27/05
Violation: 490, 10177(b)

Murchison, Ola Lee (RES)
1976 Mariposa Rd., Stockton
Effective: 8/15/05
Violation: 490, 10177(b)

Nunes, Marilyn Lee (RES)
8850 W. Velma Ln., Tracy
Effective: 8/2/05
Violation: 490, 10177(b)

Redwood Financial Inc (REC)
1741 E. Roseville Pky, Roseville
Effective: 8/9/05
Violation: 2832.1, 10145,
10177(d)

Simmons, Curt Charles (REB)
2623 I St., Sacramento

Effective: 6/28/05
Violation: 490, 10177(b)

Tagle, Lester Jose (RES)
5955 Leonardo Ct., Elk Grove
Effective: 6/29/05
Violation: 490, 10177(b)

Urbino, Reynaldo Esguerra (REB)
788 Antiquity Dr., Ste. 808,
Fairfield
Effective: 7/20/05
Violation: 10176(a)(i)

San Diego Region

Clendenin, Larry Joseph (REB)
431 S. Vine St., Escondido
Effective: 6/2/05
Violation: 490, 10177(b)

Cubillos, Rodrigo Hernan (RES)
511 Naples St., Chula Vista
Effective: 6/26/05
Violation: 490, 10177(b)

Duckworth, Bobby Ray (RES)
446 26th St., 5th Floor, San Diego
Effective: 7/20/05
Violation: 490, 10177(b)

Ean, Svoeuy (RES)
1711 Sugar Pine Dr., Corona
Effective: 7/18/05
Violation: 490, 10177(b)

Koleman, Donovan Reid (RES)
2136 Sea Village Circle,
Cardiff By The Sea
Effective: 6/15/05
Violation: 490, 10177(b)

Martin, Kenneth Victor (RES)
12751 Poway Rd., Ste. 103,
Poway
Effective: 6/13/05
Violation: 490, 10177(b)

Molling, Gary Von (RES)
1046 Highland Dr., Vista
Effective: 8/23/05
Violation: 490, 10177(b)

REVOKED WITH A RIGHT TO A RESTRICTED LICENSE

Fresno Region

Caldera, Ida P. (RES)
154 E. Elm St., Coalinga
Effective: 8/23/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Pottmeyer, Adam Edwin (REB)
2241 Broad St., #107,
San Luis Obispo
Effective: 7/27/05
Violation: 2731, 2831, 2831.1,
2831.2, 2832, 2832.1,
10145, 10177(d)
Right to RREB license on terms and conditions

Los Angeles Region

Aguirre, Edith (RES)
769 W. Wilson St., Costa Mesa
Effective: 7/18/05
Violation: 490, 10177(b)
Right to RRES license on terms

and conditions

Beltran, Hilaria (RES)
4737 East 58th St., Maywood
Effective: 8/8/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Bennett, J. Shelton (RES)
P.O. Box 4995, Palm Springs
Effective: 7/21/05
Violation: 490, 498, 10177(b)
Right to RRES license on terms and conditions

Birch, Ben L. (REB)
1111 S. Coast Dr., G101,
Costa Mesa
Effective: 6/29/05
Violation: 490, 10177(b)
Right to RREB license on terms and conditions

Boghossian, Mardi Kari (RES)
5460 White Oak Ave., A335,
Encino
Effective: 7/11/05
Violation: 10176(a)
Right to RRES license on terms and conditions

Davidson, Morris Mossa (REB)
14540 Victory Blvd., Ste. 228,
Van Nuys
Effective: 6/3/05
Violation: 2731, 2831, 2831.1,
2831.2, 2832, 10145,
10176(e)(i),
10177(d)(g)
Right to RREB license on terms and conditions

Enos, Mary Ellen (REB)
17011 Elizabeth Lake Rd.,
Lake Hughes
Effective: 7/5/05
Violation: 490, 10177(b)
Right to RREB license on terms and conditions

Flores, Daniel D. (RES)
10226 Lakewood Blvd., Downey
Effective: 7/1/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Haah, Stephan (REB, REO)
3530 Wilshire Blvd., Ste. 1850,
Los Angeles
Effective: 6/28/05
Violation: 10177(d)(g)(j)
Right to RREB license on terms and conditions

Harvest Asset Management, Inc (REC)
3530 Wilshire Blvd., Ste. 1850,
Los Angeles
Effective: 6/28/05
Violation: 10177(d)(g)(j)
Right to RREC license on terms and conditions

Hayes, Charles Edward (RES)
4733 Torrance Blvd., #445,
Torrance
Effective: 6/8/05





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

Jager, Lily Ghilardi (RES)
2679 Redondo Ave., Long Beach
Effective: 8/22/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Jalloh, Alfred S. (RES)
3450 Wilshire Blvd., Ste. 1116, Los Angeles
Effective: 7/21/05
Violation: 10130, 10137, 10177(d)
Right to RRES license on terms and conditions

Ju, Min Sun (RES)
4311 Wilshire Blvd., #100, Los Angeles
Effective: 6/8/05
Violation: 10177(g)
Right to RRES license on terms and conditions

Laurent, Jennifer Lynn (RES)
PO Box 9832, Marina Del Rey
Effective: 7/5/05
Violation: 490(a), 10177(b)
Right to RRES license on terms and conditions

Lehman, Shannon Kristine (RRES)
2763 Via Segovia, Fullerton
Effective: 8/29/05
Violation: 490, 10177(b)(k)
Right to RRES license on terms and conditions

Levitt, Joel Miles (REB, REO)
13950 Leadwell St., Van Nuys
Effective: 8/4/05
Violation: 10086, 10159.2, 10167.9(a)(c), 10167.10, 10167.11, 10167.12(a), 10177(d)(g)(h)
Right to RRES license on terms and conditions

Lorden, Judy Ilene (RES)
1044 12th St., #8, Santa Monica
Effective: 7/5/05
Violation: 10167.9(a)(c), 10167.10, 10167.11, 10167.12(a), 10177(d)(g)
Right to RRES license on terms and conditions

Lulet, Edward (REB)
12838 Central Ave., Chino
Effective: 7/5/05
Violation: 2725, 2731, 10177(d)(g)(h), 10240
Right to RRES license on terms and conditions

Marine Barry Charles (REB, REO)
225 San Vicente Blvd., #210, Santa Monica

Effective: 7/5/05
Officer of: Lorden Leasing and Real Estate Services, Inc.
Violation: 2731(c), 10159.2, 10167.9(a)(c), 10167.10, 10167.11, 10167.12(a), 10177(d)(g)(h)
Right to RRES license on terms and conditions

Mohad, Hamida (RES)
7423 Pomelo Dr., West Hills
Effective: 8/29/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Navarro, Henry Medina (REB)
7332 E. Florence Ave., Ste. D, Downey
Effective: 7/5/05
Violation: 2725, 2731, 10177(d)(g)(h), 10240
Right to RRES license on terms and conditions

Norman, Kenneth Ray (REB, REO)
16892 Baruna Ln., Huntington Beach
Effective: 7/11/05
Officer of: Normnix, Inc.
Violation: 2725, 2831, 2831.2, 2832.1, 2951, 10145, 10159.2, 10177(d)(g)(h)
Right to RRES license on terms and conditions

Normnix, Inc. (REC)
5031 La Palma Ave., La Palma
Effective: 7/11/05
Violation: 2831, 2831.2, 2832.1, 2951, 10145, 10177(d)(g)
Right to RRES license on terms and conditions

Pangilinan, Jacqueline Tanquintic (RES)
538 S. Wilton Pl., Los Angeles
Effective: 6/16/05
Violation: 10176(a)
Right to RRES license on terms and conditions

Rock, Anthony Gerard (RES)
33 Gema, San Clemente
Effective: 7/18/05
Violation: 490, 498, 10177(a)(b)
Right to RRES license on terms and conditions

Rokuskie, Rick (RES)
8421 Gessay Pl., Riverside
Effective: 8/22/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Rucci, Sebastian (REB, REO)
555 E. Ocean Blvd., Ste. 430, Long Beach
Effective: 8/15/05
Violation: 2715, 2731, 2742(c), 10159.2, 10159.5, 10162, 10177(d)(g)(h), 10240
Right to RRES license on terms and conditions

Tamayo, Richard (REB, REO)
5420 E. Beverly Blvd., Los Angeles
Effective: 7/11/05
Violation: 2832, 2832.1, 10145(a), 10177(d)
Right to RRES license on terms and conditions

Winston, Michael Dana (REB)
6464 Sunset Blvd., #905, Los Angeles
Effective: 7/11/05
Violation: 10176(a)
Right to RRES license on terms and conditions

Oakland Region

Chaldo, Elena (RES)
120 Carlton Ave., #15, Los Gatos
Effective: 7/11/05
Violation: 490(a), 10177(b)
Right to RRES license on terms and conditions

Huang, Amy (RES)
30762 Barron Way, Union City
Effective: 7/18/05
Violation: 490(a)
Right to RRES license on terms and conditions

Krogstad, Steven Alan (REB)
55 Ridgeway Ave., Ste. A, Santa Rosa
Effective: 7/20/05
Violation: 2831.2, 2832.1, 10130, 10137, 10145, 10176(a), 10177(d)
Right to RRES license on terms and conditions

Montes, Cristina Marie (RES)
200 Evandale Ave., Mountain View
Effective: 6/6/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Perez, Marilyn Abadilla (RES)
1585 Black Mountain Rd., Hillsborough
Effective: 6/27/05
Violation: 10176(a), 10177(g)
Right to RRES license on terms and conditions

Riedy, Ryan Elbert (RES)
P.O. Box 2047, Brentwood
Effective: 8/1/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Ruelas, Manuel Enrique (REB)
24715 Foothill Dr., Salinas
Effective: 6/10/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Shahzada Corporation (REC)
2351 Hidden Oaks Dr., Hayward
Effective: 6/30/05
Violation: 10130, 10137, 10177(d), 10240
Right to RRES license on terms and conditions

Shahzada, Nadeem (REB, REO)
2351 Hidden Oaks Dr., Hayward
Effective: 6/30/05
Officer of: Shahzada Corporation
Violation: 10130, 10137,

10177(d)(h), 10240
Right to RRES license on terms and conditions

Sacramento Region

Lunsford, Barbara Jean (REB)
3090 Marysville Blvd., Sacramento
Effective: 6/23/05
Violation: 2831.2, 2832, 2832.1, 10145, 10177(d)
Right to RRES license on terms and conditions

Orlando, Louis (REB, REO)
8205 Hegseth Ct., Fair Oaks
Effective: 6/29/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Reyes, Jonathan I. (RES)
6333 Pacific Ave., #508, Stockton
Effective: 7/12/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Spitsen, Annette Bell (RES)
PO Box 187, McCloud
Effective: 6/9/05
Violation: 10176(g)(i)
Right to RRES license on terms and conditions

Spitsen, Roger Raymond (REB)
211 Main St., McCloud
Effective: 6/9/05
Violation: 10176(g)(i)
Right to RRES license on terms and conditions

San Diego Region

Barrett, George Cameron (RES)
PO Box 114, Solana Beach
Effective: 6/27/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Riley, Malcolm Cameron (RES)
PO Box 1595, Solana Beach
Effective: 6/17/05
Violation: 490, 498, 10177(a)(b)
Right to RRES license on terms and conditions

Steinman, Scott Patrick (RES)
7208 Arroyo Grande Rd., San Diego
Effective: 6/17/05
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

SUSPENDED WITH STAY

Fresno Region

Blough, Daniel Dean (REB, REO)
1764 S. Broadway, Santa Maria
Effective: 8/19/05
Officer of: Premier Lending Services, Inc.
Violation: 2725, 10159.2, 10177(h)
Suspended for 60 days-stayed for 2 years on terms and conditions

Premier Lending Services, Inc. (REC)

1764 S. Broadway, Santa Maria
 Effective: 8/19/05
 Violation: 2731, 2831, 2831.2,
 2832, 2832.1, 2834,
 10145, 10159.5,
 10240
 Suspended for 60 days-stayed for
 2 years on terms and conditions

Los Angeles Region**Binder, Barry Charles (REB, REO)**

10791 Los Alamitos Blvd.,
 Los Alamitos
 Effective: 8/29/05
 Violation: 10177(f)
 Suspended for 90 days-stayed for
 4 years on terms and conditions

Burton, Steven Glenn (REB)

7430 Via De Fortuna, Carlsbad
 Effective: 8/19/05
 Violation: 10177.4
 Suspended for 180 days-stayed
 for 2 years on terms and
 conditions

Dayamin, Pooya (REB)

9899 Santa Monica Blvd.,
 Ste. 110, Beverly Hills
 Effective: 8/10/05
 Violation: 10177(f)
 Suspended for 90 days-stayed for
 1 year on terms and conditions

Delaney, Timothy Rory (REB, REO)

27727 Jefferson Ave., #109,
 Temecula
 Effective: 8/25/05
 Officer of: Fudosan, Inc.
 Violation: 2832.1, 10145,
 10159.2, 10177(d)
 Suspended for 60 days-stayed for
 2 years on terms and conditions

Fox, Martha Kay (REB, REO)

3 Trumpeter, Aliso Viejo
 Effective: 6/16/05
 Violation: 2831, 2831.1, 2831.2,
 2832, 10137,
 10145(a), 10177(d)
 Suspended for 90 days-all but 60
 days stayed for 2 years on terms
 and conditions

Fudosan, Inc. (REC)

27727 Jefferson Ave., #109,
 Temecula
 Effective: 8/25/05
 Violation: 2832, 2832.1, 10145,
 10177(d)
 Suspended for 60 days-stayed for
 2 years on terms and conditions

Kayajanian, Harry George (REB)

5150 E. Colorado St., Long Beach
 Effective: 6/3/05
 Violation: 2731, 10177(d)
 Suspended for 30 days-stayed for
 2 years on terms and conditions

Kim, Steve Sung Hi (RES)

12102 Centralia St., Ste. A,
 Hawaii Gardens
 Effective: 10130, 10177(d)
 Violation: 10130, 10177(d)
 Suspended for 30 days-stayed for
 2 years on terms and conditions

Lee, Chong H. (REB, REO)

14020 S. Van Ness Ave., Gardena

Effective: 6/20/05
 Officer of: Coastal Lending
 Corporation
 Violation: 10137
 Suspended for 30 days-stayed for
 2 years on terms and conditions

Lucero, Daniel Tolano (REB, REO)

791 E. Foothill Blvd., Ste. K,
 Upland
 Effective: 8/29/05
 Violation: 2731, 2752, 2840,
 10159.2, 10161.8,
 10177(d), 10236.4,
 10240
 Suspended for 90 days-all but 30
 days stayed for 2 years on terms
 and conditions

Primetime Management, Inc. (REC)

5350 E. Beverly Blvd.,
 Los Angeles
 Effective: 7/11/05
 Violation: 2832, 2832.1,
 10145(a), 10177(d)
 Suspended for 90 days-stayed for
 2 years on terms and conditions

R & G Lending, Inc. (REC)

6183 Ball Rd., Cypress
 Effective: 6/16/05
 Violation: 2831, 2831.1, 2831.2,
 2832, 10137,
 10145(a), 10177(d)
 Suspended for 90 days-stayed for
 2 years on terms and conditions

Vail, Kevin S. (REB)

22932 Standing Rock Rd.,
 Apple Valley
 Effective: 8/1/05
 Violation: 2831, 2831.1, 2831.2,
 2840, 10145,
 10176(e),
 10177(d)(g), 10240
 Suspended for 90 days-stayed for
 2 years on terms and conditions

Oakland Region**Le, Brad Hung (REB)**

1340 Tully Rd., Ste. 314,
 San Jose
 Effective: 6/23/05
 Violation: 10159.2, 10177(h)
 Suspended for 30 days-stayed for
 2 years on terms and conditions

Tran, Truc Duy (RES)

140 Knightshaven Way, San Jose
 Effective: 8/3/05
 Violation: 10176(a), 10177(g)
 Suspended for 60 days-stayed for
 2 years on terms and conditions

Sacramento Region**Wood, Sean Alan (REB)**

2755 Cottage Way, #20,
 Sacramento
 Effective: 7/20/05
 Officer of: Westcoast Funding
 Services, Inc.
 Violation: 10176(a)
 Suspended for 100 days-stayed
 for 2 years on terms and
 conditions

San Diego Region**Hardesty, Ryan Dale (RES)**

1230 10th St., Ramona
 Effective: 6/20/05

Violation: 10130, 10177(d)
 Suspended for 30 days-stayed for
 2 years on terms and conditions

Re/Max Direct, Inc. (REC)

1410 Main St., Ste. A, Ramona
 Effective: 6/20/05
 Violation: 10137, 10177(d)
 Suspended for 30 days-stayed for
 2 years on terms and conditions

Ryan, Jan Karen (REB)

1410 Main St., Ste. A, Ramona
 Effective: 6/20/05
 Officer: Re/Max Direct, Inc.
 Violation: 10137, 10159.2,
 10177(d)(g)(h)
 Suspended for 30 days-stayed for
 2 years on terms and conditions

SUSPENDED**Sacramento Region****West Coast Funding Services, Inc.(REC)**

2755 Cottage Way, #20,
 Sacramento
 Effective: 7/20/05
 Violation: 10176(a)
 Suspended for 100 days

LICENSE SURRENDERED

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

Fresno Region**Louchart, Leroy Joseph (REB)**

245 S. Golden State Blvd.,
 Turlock
 Effective: 7/12/05

Los Angeles Region**Abrams, Mark Alan (RES)**

468 N. Camden, Ste. 215,
 Beverly Hills
 Effective: 6/29/05

Avina, James Anthony (REB, REO)

13677 Foothill Blvd., Ste. N,
 Fontana
 Effective: 7/25/05

Coastal Lending Corporation (REC)

3550 Wilshire Blvd., Ste. 1420,
 Los Angeles
 Effective: 6/20/05

Firstline Funding, Inc. (REC)

12062 Valley View, Ste. 237,
 Garden Grove
 Effective: 7/12/05

Firstline Relocation, Inc. (REC)

12062 Valley View, Ste. 237,
 Garden Grove
 Effective: 7/12/05

Just Seconds, Inc. (REC)

15635 Alton Pky., Ste. 290, Irvine
 Effective: 8/18/05

Sevarg Financial Corporation (REC)

4144 Business St., Long Beach
 Effective: 6/16/05

Oakland Region**Grand Oaks Property and Real Estate, Inc. (REC)**

770 Chestnut St., San Jose
 Effective: 6/13/05

Lynch, Jerry (REB)

2416 Polk St., San Francisco
 Effective: 7/12/05

Neal, Walter Eugene Jr. (REB, REO)

770 Chestnut St., San Jose
 Effective: 6/13/05

Reyes, Marco Antonio (RES)

4415 Norwalk Dr., #16, San Jose
 Effective: 6/30/05

Sacramento Region**Wehrman, Lee (REB)**

343 Delleker Rd., Portola
 Effective: 8/24/05

PUBLIC REPROVAL**Los Angeles Region****Klimenko, W. John (RES)**

8361 E. Florence Ave., Ste. 202,
 Downey
 Effective: 6/16/05
 Violation: 490

**INDEFINITE SUSPENSIONS
(under Recovery Acct. provisions)****Los Angeles Region****Sapatino, Edward (RES)**

3029 Community Ave.,
 La Crescenta
 Effective: 8/17/05

Lugo, Elisa (RES)

2720 Cochran Street Apt#7-B,
 Ventura
 Effective: 8/26/05

Oakland Region**Dufloth, Dalvain Wayne (RES)**

PO Box 6131, Santa Rosa
 Effective: 8/17/05

MCFI (REC)

1410 Guerneville Rd., Ste. 1,
 Santa Rosa
 Effective: 8/17/05



Legislation

Continued from page 4

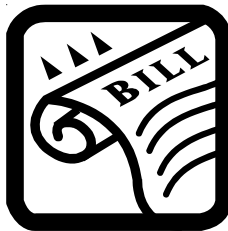
vidual sellers of residential property to disclose to a buyer the potential for *supplemental property tax bills*. Specifically, this bill requires an individual seller of residential property to deliver a disclosure notice in 12-point type or a contrasting color to prospective purchasers, entitled "Notice of Your 'Supplemental' Property Tax Bill," which states:

"California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes. The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector. If you have any questions concerning this matter, please call your local Tax Collector's Office."

This bill also specifies that this disclosure notice requirement may be satisfied by distributing a notice which jointly satisfies the requirements of this bill and the tax assessment disclosure requirements in Section 1102.6b of the Civil Code. This bill adds the disclosure language as noted above to the subdivision public report content. The author sponsored AB 459.

AB 641 (Montanez) Time-shares (Chapter 93)

Last year AB 2252 created the "Vacation Ownership and Time-share Act of 2004" which reconstituted how time-share offerings were reviewed and qualified for sale in California. AB 641 corrects an unintended consequence of AB 2251 by narrowing the information required in the public report application and public report as to accommodations that are or will be offered for sale in California. The bill also requires the developer to make specified disclosures in the public report about out of state accommodations affiliated with the interests offered in California should



those out of state accommodations be made available through a reservation/exchange program. American Resort Development Association (CALARDA) sponsored AB 641.

AB 901 (Ridley-Thomas) Covered Loans (Chapter 531)

AB 901 increases the loan limit for loans subject to the "covered loan" provisions of the Financial Code from \$250,000 to the Federal National Mortgage Association (Fannie Mae) conforming loan limit. AB 901 also adds the Legislature to the list of entities who will receive a report from a district attorney (DA) regarding real estate fraud crimes in counties that have established a Real Estate Fraud Prosecution Trust Fund. The author sponsored AB 901.

AB 1098 (Jones) Common Interest Developments; books and records (Chapter 458)

AB 1098, among other things, requires homeowner associations (HOA) and affiliated community service organizations to make available all association records, as opposed to just accounting books and records and meeting minutes, to any homeowner who belongs to the HOA. This bill also increases the civil penalties against a HOA who fails to provide books and records as specified by the bill. This bill also requires a vote of 67% of the homeowners living in a common interest development to grant the exclusive use of a common area to one or more homeowner. The author sponsored AB 1098.

AB 1729 (Houston) Mortgage Brokers; trust deeds (Chapter 153)

AB 1729 requires, among other things, a real estate broker who arranges the purchase of a fractionalized interest in a trust deed to record the fractionalized interest in the trust deed within ten days of the purchase. AB

1729 makes the requirement for recording of an investor's interest in a note consistent with that which exists for whole notes. The Department of Real Estate sponsored this bill.

SB 61 (Battin) Common Interest Developments; elections (Chapter 450)

SB 61 requires homeowner associations (HOA) to hold elections for specified matters by secret ballot and prohibits the use of any funds of the HOA for the personal campaign mailings of any association official. The bill also prohibits any mass mailing, as defined, by an association official or candidate for campaign purposes within 60 days of any election of association officials. Finally, this bill sets forth extensive procedures for HOA elections. The author sponsored SB 61.

SB 64 (Committee on Budget and Fiscal Review) (Chapter 77)

SB 64, among other things, abolished the Real Estate Advisory Commission. The Senate Committee on Budget and Fiscal Review sponsored SB 64.

SB 137 (Ducheny) Common Interest Developments; assessments (Chapter 452)

SB 137 changes, among other things, the process and methods by which homeowner associations in common interest developments may collect delinquent assessments, including prohibiting foreclosure for amounts less than \$1,800 or assessments that are less than 12 months delinquent. This bill also expands the required use of alternative dispute resolutions (ADR) for disputes involving delinquent assessments. SB 137 also requires a notice of default of delinquent assessments to be personally served and to allow a homeowner to provide a secondary address where correspondence/notices from the homeowners association must also be sent. SB 137 was supported by numerous groups and associations.

SB 853 (Kehoe) Common Interest Developments; architectural changes (Chapter 37)

The Davis-Stirling Common Interest Development Act defines and regu-

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Real Estate Publications

Ordering information

DRE publications are available:

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

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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.
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- **All sales are final — no refunds.**
- Allow 4–6 weeks for delivery.
- Volume discounts are available. Contact DRE at (916) 227-0852 prior to ordering.

PART A		SHIPPING INFORMATION			
DRE	RE#	Title of Publication	Cost	Quantity	Your Cost
	1	Reference Book — A Real Estate Guide (<i>Rev. 2000</i>)	\$20		
	2	2006 Real Estate Law Book & CD set	\$25		
	6	Disclosures in Real Property Transactions	\$10		
	8	Operating Cost Manual for Homeowner Associations	\$10		
	25	Reserve Study Guidelines for Homeowner Association Budgets	\$10		
	4	Instructions to License Applicants	<i>free</i>		
	13	Trust Funds	<i>free</i>		
	34	A Guide for Residents Purchasing Their Mobile Home Park	<i>free</i>		
	35	Trust Deed Investments — What You Should Know!!	<i>free</i>		
	35A	Using the Services of a Mortgage Broker	<i>free</i>		
	39	Living in a California Common Interest Development	<i>free</i>		
	51	A Consumer Guide to Filing Real Estate Complaints	<i>free</i>		
	52	Reverse Mortgages — Is One Right for You?	<i>free</i>		

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

PART C CREDIT CARD PURCHASE

To purchase publication by credit card, complete the following:

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

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1099 reporting

Continued from page 4

- QRS Realty (buyer's broker) has an obligation to report commission payments made to Agent Lewis (buyer's agent).
- Ms. Baker (buyer) does not have a reporting obligation.

The listing broker must report the commission payments made to the buyer's broker. Also, the buyer's broker must report the commission payments made to the buyer's agent.

Where to get help:

You can contact Franchise Tax Board (FTB) and the Internal Revenue Service (IRS) Monday through Friday to answer questions related to information returns.

FTB – (916) 845-6304.

Hours of Operation: 7:00 a.m. to 4:00 p.m. (PST)

Email address: IRPhelp@ftb.ca.gov

1099 Information Reporting website: www.ftb.ca.gov/forms/misc/4227.html

IRS – (866) 455-7438

Hours of Operation: 8:30 a.m. to 4:30 p.m. (EST)

Email address: mccirp@irs.gov

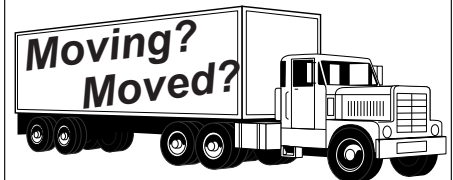
FTB also has an informational brochure entitled FTB 4201RE, *1099 Reporting for Real Estate Brokers*, that you can download from the FTB Website. Go to www.ftb.ca.gov and enter **4201RE** into the search engine. 🏠

Legislation

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lates common interest developments (CID). Existing law requires that when the governing documents for a CID require homeowner association (HOA) approval before an owner may make a physical change to his or her home or to the common area, the HOA must satisfy specified provisions. Among these provisions is a requirement that a decision on a proposed change be consistent with any governing provision of law, including the Fair Employment and Housing Act.

SB 853 clarifies that architectural review decisions in a CID based on an association's governing documents are preempted by governing law, should the association's governing documents be contrary to statutory requirements. 🏠



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