



REAL ESTATE BULLETIN

Arnold Schwarzenegger, Governor
 Sunne Wright McPeak, Secretary, Business, Transportation, & Housing Agency
 John R. Liberatore, Acting Real Estate Commissioner

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

Department of Real Estate

Fall 2004

Licensing Report

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

Licensee Population

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

Accomplishments

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

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

The results have been significant! Since January 2004, the Department has reduced its real estate examination and licensing processing time by 92 days. In addition, salesperson license changes — once approaching a backlog

New online service

Termination of salesperson employment

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

- Sign in to eLicensing. *If you have never used eLicensing, click on the eLicensing graphic and complete the registration step to create a user name and password. Thereaf-*

of 26,000 documents are now at approximately 300 documents.

These and other improvements in processing timeframes occurred despite a significant increase in licensing workload.

Goals

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

ter, clicking on the eLicensing graphic and signing in by entering your user name and password will provide access to eLicensing.

- Click on SALESPERSON TERMINATION.
- Enter the license number of the salesperson to be terminated.
- Click on GET SALESPERSON INFO.
- Review the information that appears to ensure the correct salesperson is selected for termination.
- If the correct salesperson is selected, click on TERMINATE SALESPERSON.
- To verify the correct salesperson has been selected and complete the termination, click on TERMINATE SALESPERSON NOW.

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

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

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Licensing and Exam Activity

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

Annual Report Issue

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

REAL ESTATE BULLETIN

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Vol. 64, No. 3 Fall 2004

STATE OF CALIFORNIA

Arnold Schwarzenegger, *Governor*

BUSINESS, TRANSPORTATION AND HOUSING AGENCY

Sunne Wright McPeak, *Secretary*

DEPARTMENT OF REAL ESTATE

John R. Liberator, *Acting Commissioner*

PRINCIPAL OFFICE

We're located at: 2201 Broadway, Sacramento, 95818-2500
Mailing Address: P.O. Box 187000, Sacramento, 95818-7000

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Chris Neri, *Assistant Commissioner, Subdivisions*
Fa-Chi Lin, *Chief Auditor*
William E. Moran, *Assistant Commissioner, Enforcement*
Barbara Bigby, *Asst. Commissioner, Administrative Services*
Larry Alamao, *Acting Chief Legal Officer*
Thomas R. Hensley, *Managing DC IV, Licensing & Exams*
Betty R. Ludeman, *Managing DC IV, Education*
Randy Brenda, *Managing DC IV, Mortgage Lending*

Real Estate Bulletin

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Amy Edelen, *Publications Deputy*
Laura Curry, *Production Editor*

Primary Telephone Numbers

Consumer Information	(916) 227-0864
Mortgage Loan Activities	(916) 227-0770
General Licensing Information	(916) 227-0931
Broker Examinations	(916) 227-0899
Salesperson Examinations	(916) 227-0900
Original Licensing (sales/brokers)	(916) 227-0904

NORTHERN ENFORCEMENT AREA — DISTRICT OFFICES

Steve Ellis, *Managing Deputy Commissioner IV*

- 2550 Mariposa Mall, Suite 3070, **Fresno**, 93721-2273
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Consumer Information
- 1515 Clay Street, Suite 702, **Oakland**, 94612-1462
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Consumer Information

CALIFORNIA RELAY TELEPHONE SERVICE

(For the deaf and hearing impaired)

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

Information Systems

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

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

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

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

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

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

Technology continues to be an important factor in DRE's achievement of its strategic goals and service to the real estate industry. 🏠

Enforcement Program

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

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

Investigative process

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

Once a complaint is received and it is determined that the issues are within the Department's jurisdiction, it is assigned for investigation. After a case is set up for investigation, the Department must develop "clear and convincing evidence" that a violation of the Real Estate Law has occurred before disciplinary action can be taken. In many cases, sufficient evidence to establish a cause for discipline cannot be devel-

oped because the allegations made by the complainant prove to be either incorrect or unprovable.

Once a case is developed that merits formal disciplinary action, it is sent to the Department's Legal Section. Disciplinary actions are initiated by filing either a Statement of Issues when challenging an applicant's qualifications for licensure, or an Accusation when seeking to suspend or revoke an existing license. The Department also has the power to issue Desist and Refrain Orders to stop ongoing violations of

FY 2003-04 statistics

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

either the Real Estate Law or the Subdivided Lands Law. The number of complaints assigned for investigation in fiscal year 2003-04, and the results of those investigations, are outlined in the above chart.

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

Audit Program

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

Audit Statistics Fiscal Year 2003-2004

Audit results

• Major violations	299	38%
• Corrective Action Letters	105	13%
• Minor or no violations	383	49%
<i>Total audits performed</i>	<i>787</i>	<i>100%</i>

Trust fund shortages

• Total found with shortages	118 (15%)
• Total amount of shortages	\$2,317,267
• Total cured during or soon after the audit	70 (\$854,726)

Online service

Continued from page 1

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

Subdivisions Report

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

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

Statistics

During fiscal year 2003–04, the Department received 4,018 applications for a Subdivision Public Report. This was an increase of 542 applications over the last fiscal year (02–03) or approximately 16%. The increase from the 2003–04 fiscal year compared to two years ago (01–02) is 1,112 applications or approximately 38%.

Recent Developments

The DRE has been working with the time-share industry to develop a new regulatory scheme as proposed in Assembly Bill 2252. If enacted, the

Legal Section

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

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

Legal Section Statistics 2003–04

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

Recovery Account

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

	Claims Filed	Claims Paid	Amount Paid
FY 03–04	54	86	\$1,290,507

time-share qualification process is expected to become more streamlined without compromising consumer protection.

Future Plans

In conjunction with AB 2252, the DRE has undertaken an independent review of its time-share business processes and time-share file tracking procedures. The goal of this endeavor is to obtain recommendations for improving operational efficiencies while continuing to promote balance between the business needs of industry and the DRE's responsibility to protect consumers. With the expected passage of

the new time-share legislation, regulations, forms and review procedures will need to be updated to reflect the related reforms.

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

Disciplinary Action — March–May 2004

- ✓ A list of actions is not published in this *Bulletin* until the 30-day period allowed for court appeal has expired, or if an appeal is filed and the disciplinary action is stayed, until the stay is dissolved. Names of persons to whom licenses are denied on application are not published.
- ✓ Licensees are listed alphabetically by the District Office region of responsibility.
- ✓ The license type is listed in parentheses after the licensee's name. [REB – Real estate broker; RREB – Restricted real estate broker; RES – Real estate salesperson; RRES – Restricted real estate salesperson; PRLS – Prepaid rental listing

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



- ✓ Below are brief summaries of various regulations and code sections. The full text of the sections is available on the DRE Web site www.dre.ca.gov under Real Estate Law and/or Regulations.
- ✓ Disciplinary actions that are “stayed” means there is “a delay in carrying out” all or part of the recommended discipline.

Commissioner's Regulations

2715	Licensee's failure to maintain current business or mailing address with DRE
2726	Failure to have broker-salesperson agreements
2731	Unauthorized use of fictitious business name
2795.1	Failure to retain receipt for subdivision public report
2830.1(a)	Failure to comply with interest bearing trust account requirements
2830.1(d)	Failure to comply with interest bearing trust account requirements
2831	Failure to keep proper trust fund records
2831.1	Inadequate separate trust fund beneficiary records
2831.2	Failure to reconcile trust account
2832	Failure to comply with trust fund handling provisions
2832(a)	Failure of broker to place trust funds into hands of owner, into a neutral escrow depository or trust fund account within three business days of receipt
2832(b)	Failure to comply with interest bearing trust account requirements
2832.1	Failure to obtain permission to reduce trust fund balance in a multiple beneficiary account
2834	Trust account withdrawals by unauthorized or unbonded person
2834(b)	Unauthorized or unbonded person making withdrawals from corporate trust fund account
2835	Retention of broker funds in trust account
2840	Failure to give approved borrower disclosure
2970	Failure to submit advance fee material for review

Business and Professions Code

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

10176(i)	Fraud or dishonest dealing in licensed capacity
10177(a)	Procuring a real estate license by misrepresentation or material false statement
10177(b)	Conviction of crime
10177(d)	Violation of real estate law or regulations
10177(f)	Conduct that would have warranted denial of a license
10177(g)	Negligence or incompetence in performing licensed acts
10177(h)	Failure to supervise salespersons or licensed acts of corporation
10177(j)	Fraud or dishonest dealing as principal
10177(k)	Violation of restricted license condition
10177.5	Civil fraud judgment based on licensed acts
10229(a)	Violation of multi-lender requirements
10229(j)(3)	Failure to file quarterly multi-lender trust account reports
10229(n)	Failure to file annual multi-lender trust account reports
10232.2(a)	Failure to provide independent audit reports
10232.25	Failure to file trust fund status reports
10232.4	Failure to give lender/purchaser disclosure
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
11010	Failure to file application for public report
11018(a)	Failure to comply with subdivision requirements
11018.1(a)	Failure to give public report to prospective purchaser
11018.2	Sale of subdivision lots without a public report

REVOKED LICENSES

Los Angeles Region

Arakelian, Alexander L. (RES) 31492 West St., Laguna Beach <i>Effective:</i> 3/10/04 <i>Violation:</i> 10137, 10177(d)(j)	Godoy, David Alexander (RES) 5223 Wentworth Dr., Riverside <i>Effective:</i> 3/22/04 <i>Violation:</i> 490, 10177(a)
Davis, Nancy Jane (RES) 11611 San Vicente Blvd., Woodland Hills <i>Effective:</i> 3/4/04 <i>Violation:</i> 490, 10177(b)	Goldinger, S. Jay (RES) 415 N. Crescent Dr., #235, Beverly Hills <i>Effective:</i> 6/26/03 <i>Violation:</i> 490, 10177(b)
Felahy, Neil (RES) 1680 Marguerite St., Corona Del Mar <i>Effective:</i> 3/18/04 <i>Violation:</i> 10177(d)(j)	Gonzalez, Javier F. (RES) 5401 Vanguard Ave., Garden Grove <i>Effective:</i> 3/18/04 <i>Violation:</i> 498, 10177(a)
Flores, Hector Y. (RES) 6810 Wilcox Ave., #8, Bell <i>Effective:</i> 4/6/04 <i>Violation:</i> 490, 10177(b)	Greater Mortgage Corp. (REC) 10 almond Tree Ln., Irvine <i>Effective:</i> 5/17/04 <i>Violation:</i> 2715, 10162, 10165, 10177(d)(j), 10177.5
Ghane, Esmail (REB) 40 Woodswallow Ln., Laguna Beach <i>Effective:</i> 5/26/04 <i>Violation:</i> 490, 10177(b)	Hakim, Gabriel (RES) 13411 Fox Run Rd., Victorville <i>Effective:</i> 5/6/04 <i>Violation:</i> 490, 10177(b)
	Katchem, Sidney Neil (RES) 2232 Albright Ave., Upland <i>Effective:</i> 4/27/04 <i>Violation:</i> 490, 10177(b)

**Langford, Joy T. (RREB)**

6080 Centre Dr., 6th Fl.,
Los Angeles
Effective: 4/7/04
Violation: 490, 10177(b)

Larijani, Giti E. (RES)

1 Knollglen, #32, Irvine
Effective: 3/18/04
Violation: 490, 10177(b)

Lugo, Gilbert (RES)

9914 Lesterford Ave., Downey
Effective: 5/24/04
Violation: 10177(f)

Marques, Maricela Donoso (RES)

19216 Thelborne St., Covina
Effective: 4/6/04
Violation: 490, 10177(b)

Mortimer, John Henry (RES)

256 N. Linda Vista, Ventura
Effective: 4/13/04
Violation: 490, 10177(b)

Ochoa, Thomas L. (RES)

1660 W. Palm Ln., #12, Anaheim
Effective: 3/10/04
Violation: 490, 10177(b)

Palma, Gregorio S. (RES)

803 E. Magnolia Blvd., Burbank
Effective: 3/30/04
Violation: 490, 10177(b)

Proctor, Lee Reginald (REB)

3545 Long Beach Blvd.,
#405 I&J, Long Beach
Effective: 4/15/04
Violation: 490, 10177(b)

Rosales, Emilio (RES)

1126 East 112th St., Los Angeles
Effective: 3/18/04
Violation: 490, 10177(b)

The Omingo Group, Inc. (REC)

3520 Long Beach Blvd., Ste. 100,
Long Beach
Effective: 7/17/03
Violation: 10176(a)(i)

Turner, Hubert Jene (RES)

2875 Citrocado Ranch St.,
Corona
Effective: 3/10/04
Violation: 490, 10177(b)

Warden, George Jr. (RES)

P.O. Box 967, Calimesa
Effective: 4/1/04
Violation: 490, 10177(b)

Westermeyer, Marcine Mary (RES)

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

Oakland Region**Babb, Blue William (RES)**

110 Oak Rim Ct., #52, Los Gatos
Effective: 4/6/04
Violation: 490, 10177(b)

Bottoms, Kurt Douglas (REB)

5621 Sobrante Ave., El Sobrante
Effective: 3/29/04
Violation: 490, 10177(b)

Carlette, Gail (RREB)

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

Coleman, Sean Dylan (RES)

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

Corcran, Marcus Larnard (RES)

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

Meyer, Richard Anthony (RRES)

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

Stockton, Biff (RES)

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

Subana, Suhartini (RES)

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

Sacramento Region**Cardinali, Ross Fr. Jr. (REB, REO)**

6820 Pacific Ave., Stockton
Effective: 4/12/04
Violation: 10159.2, 10177(h)

Costa, John P. (RES)

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

Sanabria, Anna M. (RES)

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

Stockton Mortgage Incorporated (REC)

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

Thueson, Kathleen (REB)

P.O. Box 1767, Jackson
Effective: 5/5/04
Violation: 2831, 2831.1, 2831.2,
2832.1, 10145, 10176(i),
10177(d)

Wristen, Cynthia Lee (REB)

769 Tuolumne St., Vallejo
Effective: 5/5/04
Violation: 2831, 2831.2, 2832.1,
2834, 10145, 10177(d)

San Diego Region**Chenelle, Tina Ann (RES)**

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

Farley, Edward Bigelow Jr. (REB)

6334 Caminito Partida,
San Diego
Effective: 3/16/04
Violation: 2731, 10148,
10177(d)

White, Charles (REB)

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

REVOKED WITH A RIGHT TO A RESTRICTED LICENSE**Fresno Region****Alvarez, Alan (RES)**

6703 Windpiper Ln., Bakersfield
Effective: 5/13/04
Violation: 10176(a)(b)
Right to RRES license on terms
and conditions; RRES license
suspended for 180 days

Jara, Sergio (RES)

3615 Bathurst, Bakersfield
Effective: 3/29/04
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Morris, Patricia (REB)

30673 Road 170, Visalia
Effective: 3/15/04
Violation: 2831.2, 2832(a),
2832.1, 10145, 10145(d),
10177(d)
Right to RRES license on terms
and conditions

Scott, Harriet Rebecca (REB)

4301 N. Hayes Ave., Fresno
Effective: 5/4/04
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Los Angeles Region**AFG Funding, Inc. (REC)**

2421 W. Beverly Blvd.,
Montebello
Effective: 3/22/04
Violation: 10177(g)
Right to RREC license on terms
and conditions

Avila, Miriam Escobar (RES)

2421 W. Beverly Blvd.,
Montebello
Effective: 3/15/04
Violation: 10177(g)
Right to RRES license on terms
and conditions

Baghoomina, Jores (RES)

524 Glenwood Rd., Glendale
Effective: 5/7/04
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Cadez, Robert Thomas (RES)

29720 Rancho California Rd.,
#3B, Temecula
Effective: 3/30/04
Violation: 490
Right to RRES license on terms
and conditions

Cauble, Richard Allen (RES)

PO Box 10200 Mason Ave.,
#292, Chatsworth
Effective: 5/25/04
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Cho, Byeong Hwa (RES)

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

Cohen, Saeed (REB)

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

Del Carmel, Carlos Alberto (REB, REO)

9330 Baseline Rd., Ste. 208,
Rancho Cucamonga
Effective: 3/18/04
Violation: 2726, 2731, 2831,
2831.1, 10177(d)(h)
Right to RRES license on terms
and conditions

Hernandez, Marvin Oswaldo (RES)

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

Hu, Tianlai (RREB)

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

Jeske, Keith William (REB)

79-950 Tangelo St., La Quinta
Effective: 4/19/04
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Marcisin, Ronald Michael (RES)

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

Michi, Ralph (RREB)

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

Omingo, Laarni Garcia (REB)

3624 E. Newgate Way, Orange
Effective: 7/17/03
Officer of: The Omingo Group,
Inc.
Violation: 10159.2, 10177(d)(h)
Right to RRES license on terms
and conditions

Petrossian, Seroge (REB)

1110 Sonora Ave., #211, Glendale
Effective: 4/1/04
Violation: 490, 10177(b)(f)
Right to RRES license on terms
and conditions



Use the eLicensing online system at www.dre.ca.gov for expedited processing of:

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

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

Reese, Thomas II (RES)

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

Sanada, Sheldon Joseph (REB, REO)

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

Sianaki, Ebrahim Y. (RES)

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

Yi, Shi (RES)

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

Oakland Region

Cavellini, Roy Timothy (REB)

4377 First St., Ste. A, Pleasanton
Effective: 4/16/04
Violation: 10145, 10177(d)
 Right to RREB license on terms and conditions

Clark, Paul Donham (REB, REO)

809 N. Bragg St., Fort Bragg
Effective: 3/26/04
Violation: 2726, 2831, 2831.2, 2832.1, 10145, 10176(g), 10177(d)
 Right to RREB license on terms and conditions

Fernandez, Robert J. (RREB)

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

Frausto-Ramirez, Luis Manuel (RES)

2093 Corby Ave., Santa Rosa
Effective: 5/5/04
Violation: 490, 10177(b)
 Right to RRES license on terms and conditions

Friend, Deborah Lynn (RES)

24525 Outlook Dr., #20, Carmel
Effective: 3/8/04
Violation: 490
 Right to RRES license on terms and conditions

QAL Affiliates, Inc. (REC)

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

Reynoso, David (RES)

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

Ruyle, Jill Ann (REB)

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

Skipper, Steven Richard (RES)

461 Zayante School Rd., Felton
Effective: 5/10/04
Violation: 490, 10177(b)
 Right to RRES license on terms and conditions

Stange, Gary Gene (REB)

39 California Ave., Ste. 201, Pleasanton
Effective: 5/6/04
Violation: 490, 498, 10177
 Right to RREB license on terms and conditions

Vecchiarelli, Gary Earl (REB)

950 S. Bascom Ave., Ste. 3110, San Jose
Effective: 5/11/04
Violation: 2831.1, 2831.2, 2832.1, 10145, 10177(d)
 Right to RREB license on terms and conditions

Sacramento Region

Blair, David Andrew (RES)

PO Box 591, Oroville
Effective: 5/17/04
Violation: 490, 10177(b)
 Right to RRES license on terms and conditions

Cardinali, Ross F. Jr. (REB, REO)

6820 Pacific Ave., Stockton
Effective: 3/17/04
Officer of: Stockton Mortgage Incorporated
Violation: 10159.2, 10177(g)(h)
 Right to RREB license on terms and conditions

Gordon, Steven Duane (RES)

412 Listowe Dr., Folsom
Effective: 3/15/04
Violation: 490, 10177(b)
 Right to RRES license on terms and conditions

Jacobs, Washington (RES)

5281 Francesca St., Elk Grove
Effective: 3/19/04
Violation: 490, 10177(b)
 Right to RRES license on terms and conditions

Moore, Derrick Marcel (RES)

8007 N. Lower Sacramento Rd., Stockton
Effective: 4/19/04
Violation: 490, 10177(b)
 Right to RRES license on terms and conditions

Ruby, Lawrence Leland (REB, REO)

1166 E. Lassen Ave., Chico
Effective: 3/15/04
Officer of: Sheraton Real Estate Management, Inc.
Violation: 10177(h)
 Right to RREB license on terms and conditions

Sanchez, Alex F. (RES)

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

Sheraton Real Estate Management, Inc. (REC)

1166 E. Lassen Ave., Chico
Effective: 3/15/04

Violation: 2832, 2832.1, 2834, 10145, 10177(d)
 Right to RREC license on terms and conditions

Stockton Mortgage Incorporated (REC)

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

San Diego Region

Hotten, Dale T. (RES)

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

Souza-Adams, Sherri Ann (RES)

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

LICENSE SURRENDERED

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

Fresno Region

Burgener, Wendy Leigh (REB)

2150 Main St., Ste. 6, Cambria
Effective: 4/13/04

Jennings, Micheal Gene (RES)

310 Vassar Ave., Fresno
Effective: 5/20/04

Jourdan, Noel Marin (RES)

8608 Whiterock Dr., Apt. B, Bakersfield
Effective: 5/19/04

Los Angeles Region

Adams, Alyse Gunter (RES)

997 Orangewood Dr., Brea
Effective: 4/22/04

Bran, Michael Ray (RES)

1625 East G St., #12E, Ontario
Effective: 4/1/04

Christopher, Bruce R. (RES)

PO Box 1162, Baldwin Park
Effective: 4/1/04

Fayngold, Vlad J. (REB)

11012 Ventura Blvd., #123, Studio City
Effective: 5/18/04





SUSPENDED WITH STAY

Fresno Region

Bankers Financial Group A Calif Corp (REC)

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

Bankers Home Loans (REC)

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

Bryan Michael Corporation (REC)

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

Cheatham, Phillip James (REB, REO)

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

Garretson, David Nichols (REB)

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

Gradowitz, Kent Max (REB, REO)

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

North American Loan Servicing Corporation (REC)

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

Smith, Marvin Lee (REB)

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

Standen, Roberta Myldred (REB, REO)

4932 Ponderosa Way, Midpines
Effective: 5/4/04
Officer of: North American Loan Servicing Corporation
Violation: 10159.2, 10177(d)(g)(h)
 Suspended for 60 days-stayed for 2 years on terms and conditions

Vanguard Lending Group, Inc. (REC)

7520 Morro Rd., Atascadero
Effective: 5/4/04
Violation: 2831, 2831.2, 2834(b), 10145, 10145(d), 10177(d)
 Suspended for 60 days-stayed for 2 years on terms and conditions

Los Angeles Region

Beacon Property Management, Inc. (REC)

10300 4th St., Ste. 260, Rancho Cucamonga
Effective: 4/8/04
Violation: 2831, 2832, 2834, 10130, 10137, 10145, 10177(d)(g)
 Suspended for 90 days-all but 36 days stayed for 1 year on terms and conditions

Gin, Wilbur (REB)

100 W. Broadway, Ste. 860, Glendale
Effective: 4/8/04
Violation: 10159.2, 10177(d)(h)
 Suspended for 90 days-stayed for 1 year on terms and conditions

Jarco Commercial Real Estate, Inc. (REC)

528 Arizona Ave., Ste. 210, Santa Monica
Effective: 3/5/04
Violation: 2831, 2832, 2832.1, 10145, 10177(d)
 Suspended for 60 days-stayed for 2 years on terms and conditions

Perez, Roy Martin (REB)

8232 Shadyside Ave., Whittier
Effective: 5/14/04
Violation: 2731, 2840, 10145, 10177(d)
 Suspended for 120 days-stayed for 2 years on terms and conditions

Perkins, Avelia B. (REB, REO)

953 W. Locust St., Ontario
Effective: 3/2/04
Officer of: T.W. Nash Realty, Inc.
Violation: 10159.2, 10177(h)
 Suspended for 60 days-stayed for 2 years on terms and conditions

T.W. Nash Realty, Inc. (REC)

953 W. Locust St., Ontario
Effective: 3/2/04
Violation: 10137, 10177(d)
 Suspended for 60 days-stayed for 2 years on terms and conditions

Oakland Region

Brown, Jane Evangeline (REB, REO)

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

Ellingwood, James Lee (REB)

6472 Camden Ave., Ste. 105, San Jose
Effective: 4/6/04
Violation: 2831.2, 2835, 10145, 10176(e), 10177(d), 10232.2, 10232.25, 10232.4
 Suspended for 2 years-all but 30 days stayed

Homan, John Elburt (REB, REO)

1555 Riverlake Rd., Ste. N. Byron
Effective: 3/9/04
Violation: 10177(h)
 Suspended for 90 days-stayed for 2 years on terms and conditions

Jane E. Brown, Inc. (REC)

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

Lois Garner Realty, Inc. (REC)

1555 River Lake Rd., Ste. N, Discovery Bay
Effective: 3/9/04
Violation: 10137, 10177(d)
 Suspended for 90 days-stayed for 2 years on terms and conditions

Ortiz, Alisa Rennae (RES)

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

R.W. Selby & Co., Inc. (REC)

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

Radford, Jason Gabriel (REB, REO)

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

Selby, Richard William (REO)

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

West, David Eliot (REB)

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

Gilbertson, Gail Young (REB)
 10882 S. Meads Ave., Orange
Effective: 4/27/04

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

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

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

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

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

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

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

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

Oakland Region

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

Sacramento Region

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

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

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

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

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

San Diego Region

Frank Schaefer Construction, Inc. (REC)
 1347 Caminito Diadema, La Jolla
Effective: 3/24/04

Schaefer, Frank George (REO)
 1347 Caminito Diadema, La Jolla
Effective: 3/24/04
Officer of: Frank Schaefer Construction, Inc.

Sacramento Region**Breazeale, Thomas Edward (REB)**

21338 Calistoga, Middletown
Effective: 3/15/04
Violation: 2795.1, 10177(d),
 11010, 11018.1(a), 11018.2
 Suspended for 100 days-stayed
 for 2 years on terms and
 conditions

Doug Arnold Real Estate, Inc. (REC)

505 2nd St., Davis
Effective: 5/18/04
Violation: 10145, 10177(d)
 Suspended for 60 days-stayed for
 1 year on terms and conditions

Hull, Monna Lou (RES)

P.O. Box 1696, Middletown
Effective: 3/15/04
Violation: 2795.1, 10177(d),
 11010, 11018.1(a), 11018.2
 Suspended for 100 days-stayed
 for 2 years on terms and
 conditions

Starman, Randall E. (REB)

228 Commercial St., Ste. 245,
 Nevada City
Effective: 5/18/04
Violation: 2831, 2831.1, 2831.2,
 2832, 2970, 2972, 10085, 10145,
 10146, 10148, 10176(e),
 10177(d), 10240
 Suspended for 60 days-stayed for
 1 year on terms and conditions

Taormino, J. David (REB)

505 2nd St., Davis
Effective: 5/18/04
Violation: 10177(h)
 Suspended for 60 days-stayed for
 1 year on terms and conditions

San Diego Region**Benitah, Maurice (RES)**

6077 Firwood Rd., La Jolla
Effective: 3/15/04
Violation: 10177(f)
 Suspended for 60 days-stayed for
 2 years on terms and conditions

Carter, John Macdonald (REB)

11828 Rancho Bernardo,
 Ste. 211, San Diego
Effective: 3/26/04
Officer of: Jack Carter Realty,
 Inc.
Violation: 10177(h)
 Suspended for 30 days-stayed for
 1 year

Jack Carter Realty, Inc. (REC)

11828 Rancho Bernardo,
 Ste. 211, San Diego
Effective: 3/26/04
Violation: 10145, 10177(d)
 Suspended for 30 days-stayed for
 1 year

Mundell, Carol Leigh (REB, REO)

10950 Corte Playa Barcelona,
 San Diego
Effective: 4/15/04
Officer of: San Diego Sunrise
 Management Co.
Violation: 2831.2, 10177(d)
 Suspended for 30 days-stayed for
 2 years on terms and conditions

Publications and Outreach

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

Accomplishments

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

- Updated the *Real Estate Law* effective January 1, 2004;
- Worked with the Information Systems Section and Licensing Section to increase awareness and use of eLicensing;
- Participated in making examination services available through eLicensing;
- Revamped the Examinees and Licensees menus on the DRE Web site to facilitate ease of use and increase information;
- Completed the development of educational videos and workbooks for first-time home buyers and renters and distributed 375 sets to instructors at high schools, colleges, adult schools and community-based organizations statewide;
- Reduced the cost of mailing the *Real Estate Bulletin* and began accepting electronic subscriptions through eLicensing;
- Developed partnerships with other state and federal agencies to increase outreach;
- Assisted in simplifying and clarifying publications, Web site content, letters, applications and forms to improve customer service and help reduce processing timeframes. 🏠
- Revised *Instructions to License Applicants* to reflect changes in the Real Estate Law effective July 1, 2004, provide clearer instructions to license applicants and licensees, and promote the use eLicensing;
- Worked with the Audits Section to revise *Trust Funds – A Guide for Real Estate Brokers and Salespersons* (RE 13) in April 2004;
- Developed a new *Real Estate Recovery Account* (RE 51) publication in February 2004, available in English, Spanish and Chinese;
- Added information about the DRE and publications available to *A Consumer Guide to Filing Real Estate Complaints* in February 2004;

San Diego Sunrise Management

Co. (REC)
 7837 Convoy Ct., Ste. 100,
 San Diego
Effective: 4/15/04
Violation: 2831.2, 10177(d)
 Suspended for 30 days-stayed for
 2 years on terms and conditions

PUBLIC REPROVAL

Amerifund, Inc. (REC)
 3836 Emerald Ave., Ste. F, La
 Verne
Effective: 4/1/04
Violation: 10177(g)

Arnold, B. Douglas (REB)

505 2nd St., Davis
Effective: 5/18/04
Violation: 10177(h)

Massro, Russell J. (REB)

3836 Emerald Ave., Ste. F, La
 Verne
Effective: 4/1/04
Violation: 10177(g)

**INDEFINITE SUSPENSIONS
(under Recovery Acct.
provisions)****Fresno Region**

Combs, Earl Thomas (RES)
 2930 Geer Rd., PMB 198,
 Turlock
Effective: 5/18/04

Earl T. Combs, Inc. (REC)
 601 N. Vincent Rd., Turlock
Effective: 5/18/04

Los Angeles Region

Tait, Connie Lee (RES)
 3271 Dulzura Dr.,
 Hacienda Heights
Effective: 4/5/04

Sacramento Region

Gardiner, Peggy Sue (RES)
 1628 Old Hart Ranch Rd.,
 Roseville
Effective: 4/5/04

Gardiner, Richard Ronald (REB)

4147 Rocklin Rd., Rocklin
Effective: 4/5/04

Parrish, John Ritchie (RES)

6246 Lambie Rd., Suisun City
Effective: 5/3/04

White, Melva Jean (RES)

7717 Detroit Blvd., Sacramento
Effective: 4/16/04

SUSPENDED**Los Angeles Region**

Kaut, Lily (REB, REO)
 10630 Town Center Dr., #101,
 Rancho Cucamonga
Effective: 3/24/04
Violation: 10145(a)(1), 10159.2,
 10176(e), 10177(d)(h)
 Suspended for 180 days

California real estate brokers and compensation insurance

from the Department of Industrial Relations

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

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

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

Failure to comply carries stiff penalties

If an agent of an uninsured broker gets injured while working and cannot collect the workers' compensation benefits to which they are entitled through the

broker's policy, the agent receives benefits from the state's Uninsured Employers Fund (UEF), administered by the Department of Industrial Relation's Division of Workers' Compensation (DWC). The DWC, in turn, makes every attempt to collect from the broker on behalf of the UEF. The DWC takes steps to recoup funds using the same methods the state uses to collect overdue taxes, child support and student loans, which can include liens against real property and asset attachments.

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

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

Continued on page 12

Financial Statement

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

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

Fiscal Year 2003–2004

Revenue

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

Expenditures

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

Net Result \$ 4,445,235

Expenditure Comparison

(Net of reimbursements)

Actual FY 02–03	\$ 29,807,437
Actual FY 03–04	\$ 30,999,303

Reserves Comparison *

Actual FY 02–03	\$ 17,465,920
Actual FY 03–04	\$ 23,190,177

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

Education and Research Section

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

Accomplishments

- Reviewed and approved 536 continuing education course offerings and pre-license qualification courses.
- Revised and updated the application forms for continuing education offerings and pre-license course approval.
- Placed all Education Section forms on the DRE Web site providing easier access for course sponsors.
- Implemented the provisions of revised Regulations 3000 and 3006

establishing instructor qualifications for continuing education offerings and pre-license courses.

- Implemented an online evaluation form allowing students of continuing education offerings and pre-license courses to electronically submit an evaluation of courses and instructors to DRE.
- Prepared and distributed to proprietary schools the course content criteria for the new optional pre-license course in Common Interest Developments. 🏠

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Compensation insurance

Continued from page 10

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

Using a professional employer organization

Some employers choose to purchase workers' compensation insurance as part of a bundle of services that may include human resources management, payroll services, and tax filing, from professional employer organizations (PEO's).

The fact that an employer engages a PEO does not release it from liability. Employers have a responsibility to ensure workers are covered by a valid workers'

compensation policy and should proceed with caution when using a PEO.

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

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

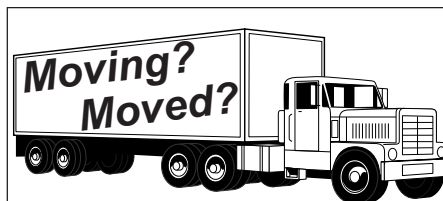
The California Association of Professional Employer Organizations recommends the following steps to help determine if a PEO is legitimate:

- ✓ Check the PEO's certificate of insurance with the California Department of Insurance.
- ✓ Find out what services the PEO will offer. Meet the people who provide the services.
- ✓ Check the company's references. Make sure they are paying payroll taxes.
- ✓ See if the company is a member of the California or National Association

of Professional Employer Organizations. (See www.napeo.org/ca for more information.)

- ✓ How does the PEO cover employee benefits? Is it licensed in California? Self funded?
- ✓ Review liability for the service agreement. Look at the cancellation process for the PEO and your business.

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



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