



Real Estate Bulletin

CALIFORNIA DEPARTMENT OF CONSUMER AFFAIRS • BUREAU OF REAL ESTATE

SPRING 2018

Vol. 77, No. 1



Wayne S. Bell
Commissioner

Commissioner's Message

We Appreciate, Welcome, and Need Your Ideas, Input, Counsel, and Engagement—on Everything We Do

Some ancient societies underscored the value and importance of repetition of thoughts in leading toward advancements and results. So please forgive me if I follow their lead and repeat myself (in part) below.

As those of you who have read my commentaries or heard me speak in public know, I believe deeply in the importance of what is done by the California Bureau of Real Estate (CalBRE) and I fully endorse and emphasize CalBRE's workplace values and its mission to safeguard and promote the public interests in real estate matters. Moreover, it has been—and continues to be—my goal as Real Estate Commissioner to continually improve CalBRE. That includes our operations generally, the content of the *Real Estate Bulletin* and all of our publications, and enhancing the value of what we do in the areas of examinations, licensing, education, enforcement and administrative prosecutions, information technology, timeshares, and subdivisions.

During our Executive Committee (made up of the assistant commissioners over all of our program areas and me) meetings, we discuss how we can be more proactive and innovative, how we can do more outreach, provide better content in our publications—as well as write and issue necessary warnings and alerts. We enrich our outcomes in terms of protecting consumers and providing value to the public and all of our stakeholders—including licensees, builders, and timeshare developers. Of course, we also talk about new and/or emerging issues in the real estate, timeshare, and subdivision arenas, policy ideas and issues, and challenges of all sorts, especially those affecting programs. But all discussions ultimately return to our focus on how we can help make CalBRE better.

In a recent communication regarding our last *Real Estate Bulletin*, a reader (who is also a licensee) wrote: "Excellent practical answers to the ongoing how to list your license number ... and I loved the answers! Great advice on broker associate topics, trust funds, etc. That's a great example for agencies working with licensees in a proactive way."

We truly appreciated that feedback, and ask that you (our readers) reach out to us and share your thoughts and ideas for topics, articles, and more. Without your participation, we are left to our own devices and thoughts as to content, coverage, and the significance of what we provide. Obviously, there is certain information (and data) we want and need to share with our stakeholders and readers. But we benefit greatly from your thoughtful advice.

**REAL ESTATE BULLETIN**

Official Publication of the California
Bureau of Real Estate
Vol. 77, No. 1 – Spring 2018

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Commissioner to Form CalBRE Enforcement Task Force to Address— and Take Appropriate Disciplinary Action Against—‘Team Name’ and Related Advertising and Branding Violations by Salespersons and Their Responsible Brokers

Real Estate Commissioner Wayne Bell will form an internal enforcement task force at the California Bureau of Real Estate to focus on, address, and to take appropriate remedial and disciplinary action against those real estate salespersons (and the brokers who are responsible for the real estate-related activities of those salespersons) who violate the clear requirements for the use of a team name set forth in section 10159.6 of the California Business and Professions Code. The enforcement task force will also tackle branding and false advertising practices of salespersons and collaborating brokers who mislead the public into believing the salespersons are brokers or can act independently of their responsible brokers.

Department of Real Estate Unveils New Logo!

Effective July 1, 2018,
the Bureau of Real
Estate logo will be
changing to reflect
our new status as
the Department of
Real Estate.



And for your information, we frequently make the same request for input from our employees. They have offered ideas on articles, alerts, relevant FAQs, and how we can be more efficient and effective. We have also had, for some while, a suggestion box for CalBRE employees to offer their thoughts. Recently, one of our employees recommended that we update and redistribute our “Guidelines for Unlicensed Assistants” [who work in the real estate industry]. Based on that recommendation, three of us on the Executive Committee worked on editing and updating those guidelines, and they are now available on our www.dre.ca.gov website.

We Want, Welcome, and Need Your Input, Ideas, Counsel, and Engagement—on Everything We Do

Government is often accused of being inflexible, reactive, and/or glacial in its responsiveness. Some of that is caused by budget constraints, government rules, and the way some entities are organized or managed. It can also result from inertia, and the mantra “that’s how it has always been done.” It can also be the product of operating in an environment without any outside feedback.

In my last “Commissioner’s Message,” I wrote that “We sincerely appreciate—and continue to invite—your collaboration, advice and perspectives ...” That will always be the case from my standpoint.

We at CalBRE are proud of the work we do and how we have changed and improved (and added value) over the years, but we do not want to be complacent. Rather, we want to be open to new ideas and innovate/modernize wherever possible, and to be as proactive, flexible, and responsive as we can be. To continue to build a better CalBRE, and endeavor to be the best we can be, we need to hear from you.

You, the readers of this *Real Estate Bulletin*, are generally engaged with us and use our services. Please share with us how we can be more effective, more efficient, and more valuable in what we do for you, including our provision of online and eLicensing services. You can do that by emailing the *Bulletin* editor at Editor@dre.ca.gov, or by using the “Feedback” link to the survey page at <http://secure.dre.ca.gov/publicasp/survey.asp>. Thank you very much!

Real Estate Fund Consumer Recovery Account

Consumer Recovery Account Background and Statutory Requirements

The California Bureau of Real Estate (CalBRE) administers a victim’s fund known as the Real Estate Fund Consumer Recovery Account (Consumer Recovery Account). The Consumer Recovery Account became operative on July 1, 1964, and is funded from a portion of the fees paid by real estate licensees, and fines and penalties collected through citations and other disciplinary actions.

The real estate commissioner at the time (W.A. Savage) and the real estate industry, notably the California Association of Realtors, were the moving forces behind the creation of the Consumer Recovery Account. The Consumer Recovery Account was one element of an overall plan to professionalize the real estate industry and to instill public confidence in real estate practitioners.



REAL ESTATE FUND CONSUMER RECOVERY ACCOUNT (CONTINUED FROM PAGE 3)



California legislators intended for the Consumer Recovery Account to provide a last resort and limited relief to victims of real estate fraud who obtained a judgment in a court of competent jurisdiction based upon fraud, misrepresentation, or deceit against a real estate licensee, and collection of the judgment was unsuccessful.

In 1970, section 10471 of the Business and Professions Code was amended to include “conversion of trust funds.” The statute was amended again in 1988 to read “fraud, misrepresentation, or deceit, made with the intent to defraud, or conversion of trust funds.” The latter legislative change came in response to case law (*Andrepoint v. Meeker* (1984) 158 Cal.App.3d 878), which held for the first time that a judgment based upon negligent misrepresentation qualified for payment from the Consumer Recovery Account.

Since its inception in 1964, CalBRE has received more than 5,000 applications and paid over \$60 million to members of the public from the Consumer Recovery Account. The 1963 legislation, as well as subsequent amendments to the Consumer Recovery Account statutes, regulations, and case law, established the primary requirements for filing an application:

- The applicant must have obtained a final civil judgment, arbitration award, bankruptcy judgment, or criminal restitution order against a real estate licensee. The judgment, award, or order must be based on intentional fraud, misrepresentation, or conversion of trust funds in connection with a transaction requiring a real estate license.
- The applicant must file an application for payment with CalBRE within one year after the judgment, award, or the order becomes final. A copy of the application and statutory notice (RE 809) must be served on the real estate licensee, who is given an opportunity to respond to the allegations in the application and object to payment of the claim.
- The person who files a Consumer Recovery Account application must be an aggrieved person. “Aggrieved person” was later established by case law (*Middelsteadt v. Karpe* (1975) 52 Cal.App.3d 297) to be a client or general member of the public.
- Payment from the Consumer Recovery Account is limited to out-of-pocket loss awarded in the judgment that was not paid by the real estate licensee.
- The applicant must make a reasonable search for the real estate licensee’s assets, and, if any, a reasonable effort to collect on the judgment, arbitration award, or criminal restitution order from those assets to satisfy the judgment.
- The applicant has to show diligent pursuit of all other liable parties in the transaction, not just pursuit of the real estate licensee (Stats. 1968, chapter 330). Moreover, the applicant must have named the licensee as a defendant and make a reasonable effort to collect from all other parties involved in the transaction that may be liable to and able to pay the applicant.
- The applicant must provide all requested documentation and/or any additional documentation to support the application (i.e., transaction documents, detailed narrative declared under penalty of perjury, collection efforts, etc.). (See Cal. Code Regs., tit. 10, § 3102.)
- If the real estate licensee applies for bankruptcy protection, the applicant must protect the judgment from discharge.
- The applicant must provide an abstract of judgment recorded in the county or counties in which the real estate licensee may have assets.

REAL ESTATE FUND CONSUMER RECOVERY ACCOUNT (CONTINUED FROM PAGE 4)

The maximum liability of the Consumer Recovery Account was first established with the enactment of the 1963 legislation and was statutorily increased in subsequent years as follows:

Date of Occurrence of Cause of Action	Per Transaction Limit	Per Licensee Limit
July 1, 1964 through Dec. 31, 1974	\$10,000	\$20,000
Jan. 1, 1975 through Dec. 31, 1979	\$10,000	\$40,000
On or after Jan. 1, 1980	\$20,000	\$100,000
On or after Jan. 1, 2009	\$50,000	\$250,000

Once filed, CalBRE reviews the application to determine if all required information was submitted by the applicant so that a decision can be made whether to pay. This review normally involves a series of letters between CalBRE and the applicant, resolving questions and obtaining necessary supporting documentation. CalBRE notifies the applicant in writing of the initial deficiencies in the application within 15 days of its receipt by CalBRE.

Top Five Frequently Asked Questions By Real Estate Licensees

CalBRE frequently receives questions from real estate licensees concerning the Consumer Recovery Account. Here are the top five questions and responses to those questions.

1. Is the Consumer Recovery Account a real estate broker bond or surety bond?

No. California had a mandatory bonding requirement for real estate brokers from 1923 to 1933 when bonding was required only of real estate broker licensees and the required coverage was only \$2,000. The bonding requirement was reportedly repealed “because the expense to brokers was exceedingly disproportionate to the net benefit obtained by the public” (*Division of Real Estate Reference Book*, 1939 edition).

2. The applicant served a copy of the application and statutory notice at the address on my record with the CalBRE. However, the address on file with CalBRE is my old address. Is service valid?

CalBRE’s qualification and processing of Consumer Recovery Account applications is governed by sections 10470 through 10481 of the Business and Professions Code and the Real Estate Commissioner’s Regulations 3100 through 3109.

Section 10471.1 of the Business and Professions Code requires service by certified mail, personal service, or publication in certain instances. Real estate licensees have a statutory obligation to provide CalBRE with a current office or mailing address per Business and Professions Code section 10162(c)(1). Depending upon the real estate licensee’s license status, service by certified mail at the address on file with CalBRE may be sufficient even if the mail is unclaimed or not received by the real estate licensee.

3. I am a salesperson. My employing real estate broker failed to pay me commission. Do I qualify for payment from the Consumer Recovery Account?

No. Case law prohibits real estate licensees suing other real estate licensees, escrow agents, title companies, and the like seeking indemnification for payment of a judgment against them, deeming those as ineligible to receive payment from the Consumer Recovery Account (*Middlesteadt v. Karpe*, supra, 52 Cal.App.3d 297). The Middlesteadt court held that these types of individuals or entities did not qualify as the class of individuals the Consumer Recovery Account was created to protect (Id. at p. 301).



REAL ESTATE FUND CONSUMER RECOVERY ACCOUNT (CONTINUED FROM PAGE 5)

4. The applicant was awarded a default judgment against me with no findings of intentional fraud. I did not appear in the court action. Can a default judgment qualify for payment from the Consumer Recovery Account?

Yes. Applicants must submit an application that includes a detailed narrative statement of the facts in explanation of the allegations of the complaint upon which the underlying judgment is based and transaction documents (Business and Professions Code section 10471 (c) (4), Commissioner's Regulation 3102(g)). Given this statutory requirement, section 10471 of the Business and Professions Code contemplates that the real estate commissioner may consider certain underlying facts in determining if the underlying default judgment was based on intentional fraud (*Doyle v. Department of Real Estate* (1994) 30 Cal.App.4th 893, 898).

5. CalBRE paid funds from the Consumer Recovery Account based on a judgment entered against me and subsequently suspended my real estate license. I cannot afford to repay CalBRE in full. Will CalBRE agree to a payment plan and reinstate my real estate license?

Section 10475 of the Business and Professions Code provides that a license shall not be reinstated until the real estate licensee has repaid CalBRE in full, plus interest at the prevailing legal rate.

If you have a question pertaining to the Consumer Recovery Account, call CalBRE's Consumer Recovery Account Unit at (916) 263-8925.

Missing Our Emails?

If you are not receiving emails from the California Bureau of Real Estate (bureau), you may want to check your email account settings:

- **Spam or junk folder:** Check your spam or junk folder to see if the bureau's email was incorrectly marked as spam. Emails from the bureau will be sent from either of these email addresses: webmaster@dre.ca.gov or dre_no_reply@dre.ca.gov.
- **Blocked address:** Check to see if our email address was added to your blocked email list.
- **Email filters:** Check your filters to see if the email could have been moved to another folder.

The bureau may not have your current email in our system. You can check your email address using the bureau's eLicensing system.



Cheating on Continuing Education Jeopardizes Your License

The Bureau of Real Estate (CalBRE) has, over the past decade, filed many disciplinary actions withdrawing approval of the courses offered by continuing education and pre-license course providers. In most cases, course providers were allegedly allowing continuing education and pre-license course certificates to be sold to licensees and potential licensees without requiring them to actually take the courses.

In addition to the alleged actions of the course providers, CalBRE has found real estate licensees and prospective licensees who sought to renew their licenses or apply for an exam by circumventing the education requirements set by Real Estate Law rather than legitimately completing the required hours of continuing education. To prevent this activity, CalBRE monitors the offerings of all approved course providers. CalBRE also reviews the continuing education submitted by licensees with renewal applications, whether submitted through eLicensing or by mail, and reviews the pre-license education submitted by prospective licensees with their exam applications. Any licensee found to have renewed their license by fraud, e.g., using continuing education that he or she has not actually completed, will be subject to disciplinary action. Any prospective licensee who is found to



have obtained a license by fraud, misrepresentation, or deceit, e.g., using pre-license education that he or she has not actually completed, will also be subject to disciplinary action, including possible license denial.

Licensees are encouraged to consider that the requirement to complete 45 hours of continuing education over a four-year period is an opportunity to better protect and care for their clients, learn about new laws and requirements, refresh their knowledge and skills, and enhance their livelihoods. Any licensee, or prospective licensee, who is entertaining the idea of renewing their license or obtaining a license using fraudulently obtained continuing education or pre-license courses should carefully consider the consequences before submitting that information to CalBRE. Individuals who attempt to circumvent the Real Estate Law are placing their license, or ability to obtain a license, in jeopardy.



How to Supervise a Restricted Real Estate Salesperson

All real estate brokers are required to supervise the activities of their salespersons pursuant to Commissioner's Regulation 2725. This is especially true for brokers supervising salespersons who hold a restricted license. How should you supervise a restricted real estate salesperson (RRES)? This article will provide guidance to brokers on this topic.

If you, as a real estate broker, decide to bring aboard and supervise a salesperson who holds a restricted license, you are required to complete Bureau of Real Estate (CalBRE's) RE 552 Prospective Employing Broker Certification form or the Restricted Salesperson Change Application form (RE 214A). On this form, you certify that you have read the Decision of the Real Estate Commissioner (or Stipulation and Agreement/Stipulation and Waiver) outlining the basis under which this licensee was disciplined. In addition, you agree to ensure that all transactional documents that the RRES prepares will be reviewed and you will exercise close supervision over the activities of that licensee.

For hypothetical purposes, let's assume that a person who holds a RRES license and submits an application to work for your real estate company. This salesperson may have misrepresented a material fact on a Residential Purchase Agreement in the past or may have been a former real estate broker who received discipline for having a large shortage in his/her trust account. Following an investigation or audit, CalBRE initiated disciplinary action against the licensee for violating one or more real estate laws and/or *Regulations of the Real Estate Commissioner*. After the hearing process, it was determined that the license should be revoked, but the person was eligible for issuance of a restricted real estate salesperson license. A restricted license allows the individual an opportunity to redeem himself or herself under the auspices of a real estate broker.

Before the broker can consider the parameters of close supervision of the RRES, the broker should become thoroughly familiar with the reasons for the RRES'

discipline. In addition, the broker should be aware that the final Decision or Stipulation may contain specific restrictions or requirements upon the RRES, such as not allowing the RRES to be a signer on a trust account, not allowing the RRES to perform property management or mortgage loan activities, or requiring the RRES to take a trust fund handling course and/or a professional responsibility exam. The broker should then discuss the supervision plan and expectations with the RRES and come to a mutual understanding that, while the broker is placed under a greater burden of responsibility in return for the skills of the RRES, the broker is also extending the opportunity for the RRES to exhibit rehabilitative actions. Evidence of that rehabilitation will be required should the RRES seek to petition for a plenary license. The employing broker should ensure that his or her current supervising rules, policies, and procedures are modified for the supervision of this RRES to comply with the conditions of employment and close supervision requirements.

If the broker and the RRES come to an understanding that their business arrangement is a means by which the broker can come to expect the highest level of professionalism, then the RRES will have the opportunity to reinstate to a nonrestricted license status as supported by the testimony of the responsible broker. In this way, both parties enjoy positive results from the broker-salesperson relationship.



Subdivision Sales in California: A Trip Down Memory Lane for Licensees

The Significance of and Legal Requirements for Public Reports and Signed Public Report Receipts

By Shane McLatchey, CalBRE Subdivisions section

Sometimes while things change, in large part, they often remain the same. That is particularly true for some of the important disclosure and retention requirements of the Subdivided Lands Law with which California real estate licensees must be familiar.

Since 1923, full disclosure has been the principle requirement for subdivision sales in California. That requirement fits nicely into a licensee's general legal obligation to disclose material information about properties offered for sale by a licensee.

Originally, the mandate to obtain a state-issued public report only applied to sales of subdivided agricultural lands; however, 10 years thereafter, the statute changed to include sales of residential properties.¹

Although statutory mandates have been added and amended multiple times over the last 95 years of subdivision laws in California, the application for, obtaining of, and provision thereto of a valid public report to purchasers for applicable sales has been a consistent requirement throughout. History reflects that detouring from and not complying with this obligation has resulted in some serious penalties and consequences for real estate sales practitioners.

To this day, it is required, subject to exemptions, that a state-issued public report is disseminated for the purpose of sale, lease, or financing, whether immediate or future, into five or more lots or parcels from unimproved or improved subdivisions in California, already divided, or for the purpose to be divided.²

In September 1941, this *Bulletin* alerted that new laws went into effect after it was discovered that thousands of lots were sold "... wherein the buyer failed to receive a good deed or title."³ The next year, instances of violations were published where brokers admitted selling properties without furnishing copies of the public report to buyers, while offering the excuse that they "thought the subdivider was taking care of it."⁴

The issuance of the public report is a primary function of the California Bureau of Real Estate's Subdivisions section. It is presumed when a prospective purchaser signs a mandated public report receipt, they have received and read the public report relating to their purchase.⁵ It is also presumed that if the prospective buyer agrees to purchase a subdivision interest—knowing the associated facts in advance and within the hub of "full disclosure"—"there should be no fraud involved and ordinarily no basis for complaint."⁶

In March 1955, the California attorney general reported that purchasers of homes had lost their purchase money deposits. In that report, the attorney general noted that this was a "glaring" inadequacy of the subdivision law. To address this hazard, a requirement to impound the prospective buyer's purchase money deposit was introduced and stricter provisions were enacted.⁷

About five years later, the first published *Bulletin* in 1960 noted several instances where real estate agents sold subdivision parcels while failing to distribute the legally required public report to buyers. As a defense, agents stated, "The subdivider or owner did not furnish copies of the public report to the agent."

That *Bulletin* then provided an important cautionary note to real estate practitioners, stating, "The commissioner must emphasize that the responsibility for complying with this law rests upon the owner, subdivider, or **agent and is both an individual and collective responsibility, which may fall upon the shoulders of each, or all** (emphasis added) ... It must be remembered, it is not enough to give a copy of the report to the prospective purchaser; he must be given an opportunity to read it and a receipt must be taken therefor."⁸



SUBDIVISION SALES IN CALIFORNIA (CONTINUED FROM PAGE 9)

Commissioner's Regulation 2795.1(b) states, in part, that public report receipts signed by prospective purchasers shall be retained by the subdivider or his agent for a period of three years from the date of receipt, and shall make the receipts available for inspection by the Commissioner or his designated representative during regular business hours.⁹

In 1963, upon discovering that some subdividers were not delivering title or other interests contracted for, the Legislature added a provision requiring that adequate financial arrangements must be made to assure completion of any on-site or off-site improvements such as a shared community recreational facility or other common area facilities.¹⁰

In October 1964, the then-Department of Real Estate published the following warning: "Cases have been investigated where the subdivider has violated the law unknowingly. In doing so, he may subject himself to prosecution and penalty. If a licensee is involved in the violation of the subdivision provisions of the law, he may suffer the additional penalty of having his license revoked or suspended after a hearing."¹¹

The June 1965 *Bulletin* notes, "Random subdivision audits made by agency auditors have uncovered numerous violations of Commissioner's Regulation 2795.1 ... Licensees are urged to advise subdividers that neglecting to use the proper receipt form can involve them in litigation."¹²

In or around the summer of 1968, a grand jury issued indictments resulting from a trial in a Northern California County Superior Court against a subdivider. This resulted in a 90-day jail sentence and a conviction of the subdivider on two counts each of violation of sections 11010 and 11018.2 of the Business and Professions Code.¹³ Both code sections are still applicable today.

Section 11018.1 of the Business and Professions Code provides, in part, that a copy of the public report shall be given to the **prospective** purchaser by the owner, subdivider, or agent prior to the execution of a binding contract or agreement for the sale or lease of any lot or parcel in a subdivision subject to a valid public report. A copy of the public report and a statement advising that a copy of the report may be obtained from the owner, subdivider, or agent at any time, upon oral or written

(Continued on page 11)

For all the latest
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and developers,
visit the CalBRE website.

www.calbre.ca.gov



SUBDIVISION SALES IN CALIFORNIA (CONTINUED FROM PAGE 10)

request. The report shall also be posted in a conspicuous place at any office where sales or leases or offers to sell or lease lots within the subdivision are regularly made.¹⁴

An important sentence in the fall 1968 *Real Estate Bulletin* appears in bold: “**Thus, it is imperative that persons selling properties in subdivisions realize the significance of the public report and become better acquainted with the ‘ground rules’.**”¹⁵

The fall 1969 and fall 1973 *Bulletins*, among others, include information on the important topic of material changes to a public report. The former includes an article titled “Subdividers—Report Material Changes Promptly,” and states that a review of 45 subdivisions on the market revealed that approximately 25 percent of the subdividers had made material changes in the offerings without first notifying the then-Department of Real Estate. The most frequent changes described at that time were amendments or modifications to the restrictions also known as conditions, covenants, and restrictions, or “CC&Rs.”¹⁶ Additional information about material changes to public reports is in (among other places) section 2800 of the *Regulations of the Real Estate Commissioner*.

In winter 1973, the *Bulletin* provides that the department ordered cessation of three subdivisions in Northern California due to the developer’s failure to pay assessments for operation and maintenance of the common areas and facilities of the subdivision in accordance with the plan approved by the department. This resulted in an aggregate payment of more than \$50,000 and the following cautionary note: “These three cases illustrate how important it is for each owner in a common-interest subdivision to understand fully his rights and obligations as an owner and member of the owners association.”¹⁷

Between 1941 and 1970, the Department of Real Estate published 53,326 final subdivision public reports, qualifying subdivisions for sale that covered 1,932,373 acres of subdivided lands, comprising 2,819,279 lots.¹⁸

Hopefully, this historical look back into subdivision sales in California will help real estate practitioners know what to expect ahead, especially since the laws have remained much the same (with enhancements). To avoid fines, civil and criminal prosecution, general mistakes, or worse, the laws regarding the dissemination of public reports and the retention of signed public report receipts by **prospective** purchasers must be followed fully.

References:

¹Real Estate Bulletin, June 1966, page 762.

²Business and Professions Code 11000 et al., Part 2. Regulation of Transactions, Chapter 1. Subdivided Lands, Article 1. General Provisions.

³Real Estate Bulletin, September 1941, page 4.

⁴Real Estate Bulletin, May 1952, page 45.

⁵Business and Professions Code, 11236(a-c), Receipt for Public Report.

⁶Real Estate Bulletin, May 1953, page 91.

⁷Real Estate Bulletin, March 1955, page 179.

⁸Real Estate Bulletin, January-February, 1960, page 432.

⁹Regulations of the Real Estate Commissioner, 2795.1(a-c), Receipt for Final or Preliminary Public Report.

¹⁰Real Estate Bulletin, June 1966, page 762.

¹¹Real Estate Bulletin, October 1964, page 680.

¹²Real Estate Bulletin, June 1965, page 712.

¹³Real Estate Bulletin, Summer 1968, page 846.

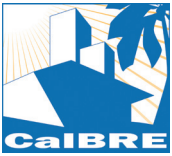
¹⁴Business and Professions Code 11018.1(a-c), Prospective Purchaser to Receive Public Report.

¹⁵Real Estate Bulletin, Fall 1968, page 851.

¹⁶Real Estate Bulletin, Winter 1969-70, page 884.

¹⁷Real Estate Bulletin, Winter 1973, page 7.

¹⁸Real Estate Bulletin, Summer 1971, page 943.



Official Publication of the California Bureau of Real Estate

CALIFORNIA BUREAU OF REAL ESTATE
1651 EXPOSITION BOULEVARD
SACRAMENTO, CA 95815

Real Estate Bulletin

VOL. 77, NO. 1

SPRING 2018

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