



# REAL ESTATE BULLETIN

Gray Davis, Governor

Maria Contreras-Sweet, Secretary, Business, Transportation, & Housing Agency

Paula Reddish Zinnemann, Real Estate Commissioner

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

Department of Real Estate

Winter 2000

## Message from the Commissioner

It's hard to believe that it has been a year since my appointment as Commissioner. They say time flies when you're having fun. It also flies by when you are very busy. For me, it has been a busy learning period, with a bit of fun thrown into the mix. One of the best parts of this past year has been to meet so many caring, professional people during my travels throughout the state. Maria Contreras-Sweet, Secretary of the Business, Transportation & Housing Agency, her staff and the other department Directors under her aegis form a productive and innovative leadership team. It has been a rewarding and positive experience to work with them.



Paula Reddish Zinnemann

Let me tell you about some of the new programs we've instituted at the Department of Real Estate (DRE).

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- 2000 DRE Legislative Summary
- 2001 RE Law Book
- Web site addresses — When are they fictitious business names?
- Exam Application Processing
- Signed — As per telephone conversation
- Real estate educator conferences

## Part II Ten Most Common Violations Found In DRE Audits

As the real estate industry moves into a new millennium, new things pop up everyday to change the way we do business. New terms, such as E-Loans, Internet Marketing, and E-Form have become jargons of the trade. Yet, certain things have not changed — the most common violations found in DRE Audits. In this regard, the second half of the top ten common violations are listed below. (Part I was printed in the Summer 2000 issue.) The purpose of this article is to call your attention to these common deficiencies and to provide you with procedures that you can follow to ensure compliance with these laws and regulations.

### Regulation 2832.1 – Trust Fund Handling for Multiple Beneficiaries (Trust Fund Shortage)

Regulation 2832.1 requires the real estate broker to obtain written consent from every owner of the trust funds in the bank account prior to each disbursement if the disbursement will reduce the balance of the funds in the bank account to an amount less than the existing trust fund liability of the broker to all owners of the funds. A trust fund shortage therefore exists when the following conditions are present:

1. The balance of the bank account is less than the total trust fund liability of the broker to all owners of the funds; and
2. There is no written authorization from all owners of the trust funds allowing this.

The most obvious reason for a trust fund shortage is the intentional misuse (conversion) of trust funds. However, simple record keeping errors that remain undetected could result in trust fund shortages and an actual loss of funds. Failure to record a disbursement, or understating the amount of a check disbursed, or overstating the amount of a deposit on the beneficiary ledger/record will cause the beneficiary ledger to show a balance that is larger than the true amount owed to the individual beneficiary. This overstated balance on the ledger is more likely to be paid and, consequently, the beneficiary will be paid more than what is due. The end result is a trust fund shortage.

Performing the proper trust account reconciliation pursuant to Regulation 2831.2 should enable the broker to detect such causes of a trust fund shortage.

### Regulation 2832 – Trust Fund Handling

The most common violations of this section found in audits relate to Commissioner's Regulation 2832(a), which requires that a broker place funds accepted on behalf of another into the hands of the owner of the funds, into a neutral escrow depository or into a trust fund account in the name of the broker, or in a fictitious name if the broker is the holder of a license bearing such fictitious name, as trustee at a bank or other financial institution not later than three

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GRAY DAVIS, Governor

BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
MARIA CONTRERAS-SWEET, Secretary

DEPARTMENT OF REAL ESTATE  
PAULA REDDISH ZINNEMANN, Commissioner

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Salesperson Examinations .....	(916) 227-0900
Original Licensing (sales/brokers) .....	(916) 227-0904

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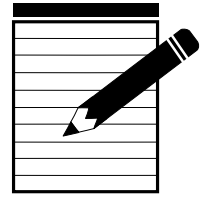
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**Message from the Commissioner**

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Our Subdivision Section is doing its part to implement the Governor's housing policies. Staff now expedites all qualified affordable housing projects. We have begun to review and revise the subdivision application forms to make them more comprehensive and user friendly. We continue to work closely with the California Building Industry Association (CBIA) to address industry concerns while being mindful of consumer protections.



Seminars targeted to small and new developers took place in Los Angeles and Oakland. These were practical, hands-on, how-to seminars, intended to encourage the attendees to incrementally add to the housing stock in California. They were well attended and received favorable comments.

We also offered outreach programs targeted to the inner city and minority communities regarding how to buy a home and what to expect and demand from one's real estate broker and mortgage lender. Resources for financing and counseling were also provided to attendees.

By popular request, we will conduct more of these seminars and outreach programs next year. We plan to have a home-buying program presented in Spanish in the Central Valley, and possibly in Santa Ana and San Diego as well. Please check our new and improved Web site for dates, times and locations of the seminars ([www.dre.ca.gov](http://www.dre.ca.gov)).

Learning how the Department of Real Estate works has been an exciting and enlightening experience for me. I don't expect that excitement to fade. Each day, there is a new issue that must be addressed. Each time I meet with a new group, I leave with new and innovative ideas. Please keep those ideas coming! Let's make the DRE work better for all of you — licensees and consumers! 🏠

**Postal Statement**

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# 2000 DRE Legislative Summary

By Dan Garrett, Manager, Legislation & Public Information

The brief descriptions below of 2000 legislation are intended to alert licensees to pertinent changes of the law. We encourage you to consult the statutes for complete information. Copies of the bills can be obtained from the authors' offices or on-line at <http://www.sen.ca.gov>. Note: All statutes are effective January 1, 2000, unless otherwise noted.

Bill/Author	Subject	Chapter
AB 2284 (Dutra)	Mortgage Loan Brokers	636
AB 2234 (Wiggins)	Prepaid Rental Listing Services	473
AB 860 (Thomson)	Common Interest Developments—Pets	551
SB 1395 (Montieth)	Subdivision Sales	279
AB 935 (Brewer)	Time-shares	522
AB 1823 (Dutra)	Common Interest Developments—Discipline	257

## AB 2284 (Dutra) Real Estate-Escrow

This bill contains Department-sponsored provisions to authorize the Commissioner to deny, suspend, or revoke a real estate license in cases of non-payment of charges for audit and preparation of delinquent reports. Also, amends the required report format for multi-lender transactions to include the broker's identification number, telephone number, fiscal year, loan servicing volume, the servicing agent's address and telephone number, if applicable, and the extent of multi-lender transaction activity. This bill also includes some technical changes and other provisions not sponsored by the Department.

## AB 2234 (Wiggins) Prepaid Rental Listing Service License (PRLS)

Makes various changes to the PRLS law. It enables e-commerce, increases bonding amounts and doubles the amount which the licensee may retain as a service charge when a refund is demanded.

## AB 860 (Thomson) Common Interest Developments (CIDs) — Pets

Would allow CID and mobilehome residents to have domestic pets subject to reasonable rules. Although the bill is

law on January 1, 2001, the bill's provisions would only be effective for new subdivisions or governing documents entered into or amended after that date.

## SB 1395 (Monteith) Bulk Subdivision Sales

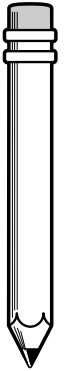
This bill provides that a developer need not apply and qualify for a subdivision public report if: (a) the units are being offered to another developer/builder, and (b) the sales contract includes a statement that the purchasing developer/builder will comply with the qualification requirements and obtain a public report when ultimately selling to the consumer/buyer. It also establishes a new service whereby the Department, for a fee, would review and approve common interest development management documents voluntarily submitted by developers without their having to submit them as part of a complete application for a public report.

## AB 935 (Brewer) Time-shares

This bill: (1) Clarifies the law relating to projects with affiliated sites which are controlled through a mandatory reservation system. The affiliated site need not be individually qualified so long as a priority window for making reservations and a clear, one page, State disclosure is provided which outlines the rights which the purchaser is acquiring. (2) Provides reasonable procedures by

# Reference Book Corrections

For those who purchased the *Reference Book* since July 2000, there are a few errors in Chapter 15, "Mortgage Loans" as listed below. Owners of the *Reference Book* are encouraged to make these corrections in their copies of the book. Bulk purchasers may request copies of an errata sufficient to update the stock they hold by calling the Publication Unit at (916) 227-0938.



- Page 308 — Under Threshold Criteria, subsection "1" the number of transactions should be changed from 20 to "10 or more" and the dollar amount from \$2,000,000 to \$1,000,000. In subsection "2" the dollar amount should be changed from \$500,000 to \$250,000. In subsection "3" the dollar amount should be \$250,000 not \$500,000.
- Page 309 — Under Retention of Funds, a broker may not retain funds for more than 25 days, not 60 days as shown.

which homeowners associations could terminate a mandatory reservation system. (3) Places a 10% per year limit on increases in the cost of a mandatory reservation system.

## AB 1823 Common Interest Developments (CIDs) - Discipline

This bill requires: (a) Homeowner association boards to provide more thorough notice procedures when attempting to impose discipline upon homeowners, and (b) requires sellers of CID units to disclose to prospective purchasers the existence of any unpaid fines or assessments or pending rule violations. 🏠

## Ten most common violations found in DRE audits

Continued from page 1

business days following receipt of the funds by the broker or by the broker's salesperson. Two of the most common problems related to this regulation are:

1. A broker's *failure* to designate accounts receiving trust funds as *trust fund accounts* in the name of the broker or broker's dba as trustee; and
2. Failure to deposit trust funds received by a broker or broker's employee into a trust fund account within three business days of receipt.

Other violations of this section relate to a broker's use of an improper interest-bearing account {Regulation 2832(b)}, a broker's failure to place checks received from an offeror into a neutral escrow depository or trust fund account in a timely manner following acceptance of an offer {Regulations 2832(c & d)} and failure of a broker acting as an escrow holder in a transaction in which the broker is performing acts for which a real estate license is required to place trust funds received as required not later than the next business day following receipt of the funds {Regulation 2832(e)}.

### Regulation 2834 – Trust Account Withdrawals

Commissioner's Regulation 2834(a) states that withdrawals may be made from a trust fund account of an individual broker only upon the signature of the broker or one or more of the following persons if specifically authorized in writing by the broker:

1. A salesperson licensed to the broker.
2. A person licensed as a broker who has entered into a written agreement pursuant to Section 2726 with the broker.
3. An unlicensed employee of the broker with fidelity bond coverage at least equal to the maximum amount of trust funds to which the employee has access at any time.

Regulation 2834(b) also states that withdrawals may be made from a trust fund account of a corporate broker only upon the signature of:

1. An officer through whom the corporation is licensed pursuant to Section 10158 or 10211 of the Code; or
2. One of the persons enumerated in paragraph (1), (2) or (3) of Regulation 2834(a), provided that specific authorization in writing is given by the officer through whom the corporation is licensed and the officer is an authorized signatory of the trust fund account.

Regulation 2834(c) states that a broker or broker-officer is responsible or liable for the handling of trust funds regardless of the existence of any authorization given regarding signature authority.

The most common violations found in audits related to Regulation 2834 are:

1. The failure of the broker or designated officer to be a signatory on the trust account (this *may* indicate a supervision problem).
2. Presence of an unlicensed signatory on the trust account who does not have fidelity bond coverage.
3. Fidelity bond coverage in an inadequate amount and/or has a deductible.
4. The failure of the broker or designated officer to give specific written authorization permitting a salesperson, broker or unlicensed person to sign on the trust account.

### B & P Code Section 10145/ Regulation 2835 – Commingling

A broker shall not commingle with his or her own money or property the money or property of others which he or she receives and holds. Common causes of this violation are the deposit of trust funds received into the broker's general business account or maintenance of over \$200 in broker funds in a trust account holding trust funds.

A common example of this violation is when a broker deposits credit report fees and/or appraisal fees received into his or her general bank account instead of a trust account when he or she has not yet paid the bill. Often, the reason for this violation is that the broker does not maintain a trust account or the broker was not aware that credit report fees and appraisal fees are trust funds.

### B & P Code Section 10240 – Written Disclosure Statement

Another often-cited violation is Section 10240 of the code which requires brokers to provide a borrower with a mortgage loan disclosure statement within three business days after receipt of a completed loan application or before the borrower becomes obligated on the note, whichever is earlier. Real estate brokers often fail to provide the Mortgage Loan Disclosure Statement (Borrower) or, in a federally regulated residential mortgage loan transaction, fail to comply with Section 10240(c). Other brokers fail to maintain completed copies for their files.

In conclusion, as you race to keep up with the ever-changing opportunities that present themselves in business today, take a moment to stop and ensure that your business is operating in compliance with these and other critical real estate laws.

### Just a reminder

To keep your license records up to date, please:

- Submit renewal documents at least 30 days before your expiration date.
- Submit address and employment changes in a timely manner.

Renewal forms and change applications are available at each District Office and from our Web site at [www.dre.ca.gov](http://www.dre.ca.gov).

# Disciplinary Action — June to August 2000



- ✓ 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 found in the Business and Professions Code and the Regulations of the Real Estate Com-

missioner, both of which are printed in the *Real Estate Law* book. The *Real Estate Law* book is available for purchase from the Department of Real Estate.

- ✓ Disciplinary actions that are “stayed” means “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
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
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
2832.1	Failure to obtain permission to reduce trust fund balance in a multiple beneficiary account
2834	Trust account withdrawals by unauthorized or unbonded person
2835	Retention of broker funds in trust account
2840	Failure to give approved borrower disclosure
2970	Failure to submit advance fee material for review
2972	Advance fee accounting

## Business and Professions Code

480	Denial of license based upon certain grounds
490	Substantially related criminal conviction
498	License obtained by fraud or misrepresentation
10085	Failure to submit advance fee materials
10130	Acting without license
10137	Unlawful employment or payment of compensation
10145	Trust fund handling
10145(a)	Trust fund handling
10145(c)	Failure by salesperson to deliver trust funds to broker
10146	Advance fee handling
10148	Failure to retain records and make available for inspection
10159.2	Failure by designated officer to supervise licensed acts of corporation
10159.5	Failure to obtain license with fictitious business name
10161.8	Failure of broker to notify Commissioner of salesperson employment/termination
10161.8(a)	Failure of broker to notify Commissioner of salesperson employment
10161.8(b)	Failure of broker to notify Commissioner of salesperson termination
10162	Failure to maintain a place of business
10163	Failure to obtain a branch office license
10176(a)	Making any substantial misrepresentation
10176(e)	Commingle trust funds with brokers funds
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
10177.4	Acceptance of compensation for referral of customers to certain service providers
10177.5	Civil fraud judgment based on licensed acts
10234	Failure to broker negotiating mortgage loan to record or cause trust deed to be recorded
10236.4	Failure to include license number or DRE license information telephone number in documents
10240	Failure to give mortgage loan disclosure statement

## REVOKED LICENSES

### Fresno Region

**Burrus, Bette (RREB)**  
 1665 W. Shaw, #104, Fresno  
*Effective:* 8/10/00  
*Violation:* 10130, 10131(a)(b), 10177(d)

**Lockhart, Tesa Anne (RES)**  
 1814 June Ave., Bakersfield  
*Effective:* 7/10/00  
*Violation:* 498, 10177(a)

### Los Angeles Region

**Adam, Jessica M. (RES)**  
 13921 Tustin E Dr., #62, Tustin  
*Effective:* 8/28/00  
*Violation:* 480, 498, 10177(a)

**Apex Property Mgmt., Inc. (REC)**  
 5200 Warner Ave., #105, Huntington Beach  
*Effective:* 8/22/00  
*Violation:* 10176(e)(i), 10177(d)(g)

**Ayoade, Tubosun Toyese (RES)**  
 206 Long Beach Blvd., #217, Long Beach  
*Effective:* 7/19/00  
*Violation:* 490, 10177(b)

**Beardslee, Clark Smith (REB, REO)**  
 5200 Warner Ave., #105, Huntington Beach  
*Effective:* 8/22/00  
*Officer of:* Apex Property Management, Inc.  
*Violation:* 10176(e)(i), 10177(d)(h)

**Berdugo, Henry Lisandro (RES)**  
 2168 S. Atlantic Blvd., PMB #485, Monterey Park  
*Effective:* 6/14/00  
*Violation:* 490, 10177(a)(b)

**Berumen, Alonso Rivera (RES)**  
 2515 Mathews, Apt. C, Redondo Beach  
*Effective:* 7/11/00  
*Violation:* 10177(j)

**Brumbaugh, Temra Lorraine (RES)**  
 632 C El Camino Real, Tustin  
*Effective:* 8/3/00  
*Violation:* 490, 10177(b)

**Brunette, Danial Marc (RES)**  
 1273 Sheffield, Thousand Oaks  
*Effective:* 6/22/00  
*Violation:* 498, 10177(a)

**Bugna, Randolph Charles (REB)**  
 P.O. Box 17718, Irvine  
*Effective:* 7/5/00  
*Violation:* 2715, 10162, 10165, 10177(d)

**Coastland Mortgage Corporation (REC)**  
 One Civic Plaza, Ste. 375, Carson  
*Effective:* 8/2/00  
*Violation:* 10137

**Corella, Juan Alberto (RES)**  
 8124 San Carlos Ave., South Gate  
*Effective:* 7/18/00  
*Violation:* 10177(g)

**Debose, Carmen (RES)**  
 14431 Ventura Blvd., #359, Sherman Oaks  
*Effective:* 7/19/00  
*Violation:* 10177(f)(j)



- Duwaik, Ahmad Salah (RES)**  
119 27th St., Newport Beach  
Effective: 8/10/00  
Violation: 490, 498, 10177(a)(b)
- Gonzalez, Marybel (RES)**  
P.O. Box 1287, Montebello  
Effective: 8/8/00  
Violation: 490, 498, 10177(a)(b)
- Grimes, Elizabeth (RES)**  
8841 Orion Ave., #3, North Hills  
Effective: 7/19/00  
Violation: 490, 498, 10177(a)(b)
- Hallock, Braven Scott (RES)**  
1344 Brookside Ct., Upland  
Effective: 8/7/00  
Violation: 10130, 10177(d)(j)
- Hawkins, Anita (RES)**  
P.O. Box 400468, Hesperia  
Effective: 7/5/00  
Violation: 490, 10177(b)
- Hernandez, Myriam (RES)**  
609 Lantana St., #10, Camarillo  
Effective: 7/5/00  
Violation: 490, 10177(b)
- J. Diamond & Asso., Inc. (REC)**  
818 N. Mountain Ave., Ste. 205, Upland  
Effective: 8/3/00  
Violation: 10145(a), 10177(d)
- Kim, Daniel Taerim (RES)**  
2440 Micheltorena St., Los Angeles  
Effective: 8/1/00  
Violation: 498, 10177(a)
- Laas, Ronald Emil (RES)**  
4385 Cochran St., Simi Valley  
Effective: 8/1/00  
Violation: 10177.5
- Lanza Investment Corp. (REC)**  
123 West E St., Ontario  
Effective: 8/10/00  
Violation: 10177(f)
- Medina, Frank B. (RES)**  
1801 W. Garvey Ave., #319, Alhambra  
Effective: 8/1/00  
Violation: 490, 10177(b)
- Michalec, Timothy A. (RREB)**  
68007 Lakeland Dr., Cathedral City  
Effective: 6/7/00  
Violation: 2725, 2726, 2753, 2831, 2831.1, 2831.2, 2832.1, 10145, 10148, 10177(d)
- Morris, Peter Gregory (RES)**  
6869 Indiana Ave., Riverside  
Effective: 7/31/00  
Violation: 490, 10177(b)
- Renaissance Financial Group, Inc. (REC)**  
3 Hutton Centre Dr., Ste. 150, Santa Ana  
Effective: 7/5/00  
Violation: 2715, 10162, 10165, 10177(d)
- Reycraft, Richard Miller (RES)**  
207 - 32nd St., Newport Beach  
Effective: 7/25/00  
Violation: 498, 10177(a)
- Rubi, Ruben (RES)**  
15214 Whittier Blvd., #C, Whittier  
Effective: 8/1/00  
Violation: 10177.5
- Schelhorn, Vern Nadine (RES)**  
1623 Benbow St., San Dimas  
Effective: 8/30/00  
Violation: 490, 10177(b)
- Shindler, Jeffry Jamieson (RES)**  
514 Baywood Dr., Newport Beach  
Effective: 8/17/00  
Violation: 498, 10177(a)
- Stapp, Alan Lee (REB)**  
350 Broadway, Laguna Beach  
Effective: 7/19/00  
Violation: 10177.5
- Williams, Donald Hill Jr. (RES)**  
26342 Forest Ridge Dr., #1B, Lake Forest  
Effective: 7/5/00  
Violation: 490, 10177(b)
- Wong, Tony (REB)**  
690 E. Green St., Los Angeles  
Effective: 7/5/00  
Violation: 10177.5
- Yen, Dat (RREB)**  
2708 W. Alhambra Rd., Alhambra  
Effective: 8/1/00  
Violation: 2831.2, 2832, 2834, 2840, 10145, 10177(d), 10234
- Sutherland, Richard Rogers (REB)**  
10600 N. DeAnza Blvd., #120, Cupertino  
Effective: 6/6/00  
Violation: 490, 10177(b)
- Webster, Lauretta Elaine (RES)**  
P.O. Box 413, Bethel Island  
Effective: 7/26/00  
Violation: 490, 10177(b)
- Williams, Gail Elaine (RES)**  
32019 Carroll Ave., Hayward  
Effective: 6/20/00  
Violation: 490, 10177(b)
- 
- Sacramento Region**
- Fleming, Mattie Ruth (RES)**  
513 Georgia St., Vallejo  
Effective: 7/12/00  
Violation: 10130, 10137, 10176(a)(i), 10177(d)(j)
- Lok, Stephen S. (RES)**  
P.O. Box 189371, Sacramento  
Effective: 6/7/00  
Violation: 10176(a)(i)
- Villanueva, Joseph George (RES)**  
P.O. Box 991, Lodi  
Effective: 7/6/00  
Violation: 490, 498, 10177(a)(b)
- Wong, Hardy (RES)**  
8568 Charente Way, Elk Grove  
Effective: 8/15/00  
Violation: 2731, 10130, 10177(d)(j)
- 
- San Diego Region**
- Bonventre, Ann Marie (RES)**  
12140 Wintergreen Dr., #3, Lakeside  
Effective: 8/25/00  
Violation: 490, 10177(b)
- Brandenburg, Buddy Wallace (RES)**  
8417 Broadway, Unit 211, Lemon Grove  
Effective: 6/27/00  
Violation: 498, 10177(a)
- Young, Donna R. (RES)**  
2134 Foster St., Oceanside  
Effective: 6/29/00  
Violation: 490, 10177(b)
- 
- REVOKED WITH A RIGHT TO A RESTRICTED LICENSE**
- Fresno Region**
- Fisher, William Thomas (REB)**  
3454 W. Roberts Ave., Fresno  
Effective: 7/7/00  
Violation: 2831, 2831.1, 2831.2, 2832(a), 2832.1, 10145, 10177(d)  
Right to RREB license on terms and conditions
- 
- Los Angeles Region**
- Ahmed, Syed Anis (RES)**  
63 Kazan St., Irvine  
Effective: 6/30/00  
Violation: 10130, 10177(d)  
Right to RRES license on terms and conditions
- Blanks, Sharon Kay (RES)**  
P.O. Box 233, Hermosa Beach  
Effective: 8/2/00  
Violation: 10130, 10177(d)  
Right to RRES license on terms and conditions
- Darwal Corporation (REC)**  
556 South C St., Oxnard  
Effective: 8/24/00  
Violation: 2831, 2832, 10131(a)(d), 10137, 10145(a), 10176(e), 10177(d)(g), 10240  
Right to RREC license on terms and conditions
- Dean, Owen Riley (REB, REO)**  
2565 E. Chapman Ave., #200, Fullerton  
Effective: 8/18/00  
Officer of: PDQ Financial, Inc.  
Violation: 2831.1, 2831.2, 2834, 10137, 10145, 10159.2, 10177(d)  
Right to RREB license on terms and conditions
- Dunn, Dana Lynn (RES)**  
27095 Lamdin Ave., Menifee  
Effective: 8/2/00  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions
- Evans, Michelle Renee (RES)**  
P.O. Box 55387, Riverside  
Effective: 8/29/00  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions
- Franco, Miguel (REB)**  
P.O. Box 3440, Tustin  
Effective: 8/22/00  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions
- Garcia, Maria Delcarmen (RES)**  
827 W. Dike St., Glendora  
Effective: 7/31/00  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions
- Gilbert, Daniel Armand (RES)**  
14622 Ventura Blvd., #497, Sherman Oaks  
Effective: 8/30/00  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions
- Haid, Billie Gorman (RES)**  
27 Nopalitos Way, Aliso Viejo  
Effective: 8/22/00  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions
- Hannan, Jerome B. (RES)**  
190 Arroyo Terrace, #309, Pasadena  
Effective: 8/2/00  
Violation: 10177.5  
Right to RRES license on terms and conditions
- Henry, Ernest William (REB)**  
233 S. Fremont, Alhambra  
Effective: 7/7/00  
Violation: 2831, 2831.2, 10145, 10148, 10177(d)(g)  
Right to RREB license on terms and conditions

**Jones, Robert Woodrow (REB)**  
28410 Old Town Front St., #101,  
Temecula  
*Effective:* 7/19/00  
*Violation:* 2715, 2725, 2726,  
2731, 2753, 10145(a), 10177(d)(g)  
Right to RREB license on terms  
and conditions

**Loterina, Renee Bibal (RREB)**  
18911 S. Rochelle Ave., Cerritos  
*Effective:* 8/2/00  
*Officer of:* Coastland Mortgage  
Corporation  
*Violation:* 10137, 10159.2,  
10177(h)  
Right to RRES license on terms  
and conditions

**McGookin, Jon Maxwell (RES)**  
5510 Wentworth Dr., Riverside  
*Effective:* 8/1/00  
*Violation:* 10130, 10177(d)  
Right to RRES license on terms  
and conditions; RRES license  
suspended for 30 days

**O'Connor, John Joseph (REB,  
REO)**  
13624 Hornbrook Rd., Hornbrook  
*Effective:* 8/24/00  
*Officer of:* Darwal Corporation  
*Violation:* 2831, 2832,  
10131(a)(d), 10137, 10145(a),  
10176(e), 10177(d)(h), 10240  
Right to RREB license on terms  
and conditions

**Oxx, May Isobel (REB)**  
8205 Santa Monica Blvd., #491,  
West Hollywood  
*Effective:* 8/31/00  
*Violation:* 490, 10177(b)  
Right to RREB license on terms  
and conditions

**PDQ Financial, Inc. (REC)**  
2565 E. Chapman Ave., #200,  
Fullerton  
*Effective:* 8/18/00  
*Violation:* 2831.1, 2831.2, 2834,  
10137, 10145, 10177(d)  
Right to RREC license on terms  
and conditions

**Rivera, German Alfonso (RES)**  
1850 East 17th St., Santa Ana  
*Effective:* 7/20/00  
*Violation:* 10130, 10177(g)  
Right to RRES license on terms  
and conditions

**Security Pacific Mortgage  
Corporation (REC)**  
42149 Big Bear Blvd.,  
Big Bear Lake  
*Effective:* 6/1/00  
*Violation:* 2726, 2731, 2834,  
10145, 10177(d), 10240  
Right to RREC license on terms  
and conditions

**Tamplin, Richard Leslie (RES)**  
22192 Caminito Arroyo Seco,  
Laguna Hills  
*Effective:* 7/5/00  
*Violation:* 498, 10177(a)  
Right to RRES license on terms  
and conditions

**Thomas, Denis Ray (REB, REO)**  
42149 Big Bear Blvd.,  
Big Bear Lake  
*Effective:* 6/1/00

*Violation:* 10145, 10177(h),  
10240  
Right to RREB license on terms  
and conditions

### Oakland Region

**Badagliacco, Dennis John (REB,  
REO)**  
1124 Meridian Ave., San Jose  
*Effective:* 7/7/00  
*Officer of:* Willow Creek  
Investments, Inc.  
*Violation:* 2831.2, 2832.1,  
10145, 10177(d)  
Right to RREB license on terms  
and conditions

**Gioseffi, Thomas Michael (REB)**  
38 Twin Oaks Ave., San Rafael  
*Effective:* 8/30/00  
*Violation:* 2831, 2831.1, 2831.2,  
2832, 2834, 2970, 2972, 10085,  
10137, 10145(a)(d), 10146,  
10159.5, 10176(e), 10177(d)  
Right to RRES license on terms  
and conditions

**Hong, Anna Sayoung (RES)**  
34276 Eucalyptus Terrace,  
Fremont  
*Effective:* 8/22/00  
*Violation:* 10130, 10177(d)  
Right to RRES license on terms  
and conditions

**Low, Lester Chew (REB)**  
3639 Lincoln Way, San Francisco  
*Effective:* 6/16/00  
*Violation:* 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Ryan, Leslie Eugene (REB)**  
495A E. Perkins St., Ukiah  
*Effective:* 7/11/00  
*Violation:* 2831.2, 2832.  
1, 10145, 10177(d)(h)  
Right to RREB license on terms  
and conditions

**Saltnes, Inge (REB)**  
355 Northumberland Ave.,  
Redwood City  
*Effective:* 7/5/00  
*Violation:* 490, 10177(b)  
Right to RREB license on terms  
and conditions

**Tow, Russ (RES)**  
495 E. Perkins, Ukiah  
*Effective:* 7/11/00  
*Violation:* 10176(a)  
Right to RRES license on terms  
and conditions

**Travassos, Richard Henry (RES)**  
660 Bair Island Rd., #30,  
Redwood City  
*Effective:* 7/3/00  
*Violation:* 10176(a), 10177(g)  
Right to RRES license on terms  
and conditions; RRES license  
suspended for 15 days

**Willow Creek Investments, Inc.  
(REC)**  
1124 Meridian Ave., San Jose  
*Effective:* 7/7/00  
*Violation:* 2831.2, 2832.1,  
10145, 10177(d)  
Right to RREC license on terms  
and conditions

### Sacramento Region

**Bredy, Steven J. (RES)**  
P.O. Box 1387, Fair Oaks  
*Effective:* 5/5/00  
*Violation:* 10130, 10137,  
10145(c), 10176(e), 10177(d)  
Right to RRES license on terms  
and conditions

**Clark, Shannon Sue (RES)**  
7142 Trousdale Pl., Stockton  
*Effective:* 8/2/00  
*Violation:* 498, 10177(a)  
Right to RRES license on terms  
and conditions

### San Diego Region

**Bloomington, Mary Ellen (RREB)**  
8262 University Ave., La Mesa  
*Effective:* 8/10/00  
*Violation:* 10130, 10148,  
10177(d)  
Right to RREB license on terms  
and conditions

**Kojac, Douglas Roy (REB)**  
197 Mangano Circle, Encinitas  
*Effective:* 8/21/00  
*Violation:* 10176(i), 10177(j)  
Right to RREB license on terms  
and conditions

**Tacon, Daniel Anthony (RES)**  
10040 Mapletree Rd., Santee  
*Effective:* 8/2/00  
*Violation:* 10176(a)(i)  
Right to RRES license on terms  
and conditions

## SUSPENDED WITH STAY

### Los Angeles Region

**Alexander, Lillian (RES)**  
6428 West View Dr., Orange  
*Effective:* 8/22/00  
*Violation:* 10130, 10177(d)  
Suspended for 180 days-stayed  
for 1 year on terms and conditions

**All Homes & Investments, Inc.  
(REC)**  
27785 Santa Margarita Pkwy.,  
Mission Viejo  
*Effective:* 8/29/00  
*Violation:* 10177.4, 10177(d)  
Suspended for 90 days-stayed for  
2 years on terms and conditions

**Boye, John (RES)**  
1734 Ximeno Ave., Apt. 19,  
Long Beach  
*Effective:* 7/5/00  
*Violation:* 490, 10177(b)  
Suspended for 180 days-stayed  
for 1 year on terms and conditions

**Burd, Gene William (REB, REO)**  
5003 Ball Rd., Cypress  
*Effective:* 6/1/00  
*Officer of:* Gene W. Burd  
Enterprises, Inc.  
*Violation:* 10159.2, 10177(h)  
Suspended for 90 days-stayed for  
1 year on terms and conditions

**Cruz, Julia (RES)**  
2501 Cherry Ave., #150,  
Long Beach  
*Effective:* 8/1/00  
*Violation:* 10130, 10177(d)  
Suspended for 30 days-stayed for  
1 year on terms and conditions

**Gene W. Burd Enterprises, Inc.  
(REC)**  
5003 Ball Rd., Cypress  
*Effective:* 6/1/00  
*Violation:* 2831.2, 2832.1,  
10145, 10177(d)  
Suspended for 90 days-stayed for  
1 year on terms and conditions

**Goliath, John Steven (REB)**  
300 N. Tustin Ave., #200,  
Santa Ana  
*Effective:* 7/20/00  
*Violation:* 10130, 10177(h)  
Suspended for 60 days-stayed for  
2 years on terms and conditions

**Hemet Mortgage, Inc. (REC)**  
910 E. Florida Ave., Ste. A-3,  
Hemet  
*Effective:* 7/5/00  
*Violation:* 2726, 10161.8,  
10163, 10165, 10177(d)  
Suspended for 90 days commencing  
8/3/00-Stayed for 1 year on  
conditions

**Hotel Timeshare Resales, Inc.  
(REC)**  
74-924 Country Club Dr.,  
Ste. 120, Palm Desert  
*Effective:* 7/20/00  
*Violation:* 2831, 2832, 10145,  
10177(d)  
Suspended for 60 days-stayed for  
2 years on terms and conditions

**Krasovec, Brenda Lee (REB, REO)**  
28581 Front St., Ste. 210,  
Temecula  
*Effective:* 7/5/00  
*Officer of:* Hemet Mortgage, Inc.  
*Violation:* 2726, 10161.8(a),  
10163, 10165, 10177(d)(g)(h)  
Suspended for 90 days commencing  
8/3/00-Stayed for 1 year on  
conditions

**Noujaim, Nazih Emile (REB, REO)**  
76-800 Queens Ct., Palm Desert  
*Effective:* 7/20/00  
*Officer of:* Hotel Timeshare  
Resales, Inc.  
*Violation:* 2831, 2832, 10145,  
10177(h)  
Suspended for 60 days-stayed for  
2 years on terms and conditions

**Rey, Teresa M. (RES)**  
P.O. Box 1195, Temple City  
*Effective:* 7/5/00  
*Violation:* 10176(a)  
Suspended for 30 days-stayed for  
1 year on terms and conditions



**Shim, Jong M. (REB)**  
3700 Wilshire Blvd., #282,  
Los Angeles  
*Effective:* 8/22/00  
*Violation:* 2726, 2831, 2831.1,  
10137, 10177(d)(h), 10240  
Suspended for 90 days-stayed for  
2 years on terms and conditions

**Soni, Vijay (REB, REO)**  
4662 Barranca Pkwy, Irvine  
*Effective:* 7/5/00  
*Violation:* 2831, 10130, 10163,  
10177(d), 10240  
Suspended for 60 days-stayed for  
1 year on terms and conditions

**Wilson, Gerald Anthony (REB)**  
27785 Santa Margarita Pkwy.,  
Mission Viejo  
*Effective:* 8/29/00  
*Officer of:* All Homes &  
Investments, Inc.  
*Violation:* 10177.4, 10177(d)  
Suspended for 90 days-stayed for  
2 years on terms and conditions

### Oakland Region

**Magliano, Randall James (RES)**  
1600 S. Main St., Ste. 115,  
Walnut Creek  
*Effective:* 8/24/00  
*Violation:* 10130, 10176(f),  
10177(d)  
Suspended for 90 days-stayed for  
1 year on conditions

**Moynihan, Bryant R. (REB, REO)**  
1241 N. McDowell Blvd.,  
Petaluma  
*Effective:* 8/4/00  
*Officer of:* Nexus Realty Group,  
Inc.  
*Violation:* 10176(f)  
Suspended for 30 days-stayed for  
1 year on terms and conditions

**Nexus Realty Group, Inc. (REC)**  
1241 N. McDowell Blvd.,  
Petaluma  
*Effective:* 8/4/00  
*Violation:* 10176(f)  
Suspended for 30 days-stayed for  
1 year on terms and conditions

**Wood, Barry James (RES)**  
P.O. Box 1194, San Ramon  
*Effective:* 8/24/00  
*Violation:* 10130, 10176(f),  
10177(d)  
Suspended for 90 days-stayed for  
1 year on conditions

### San Diego Region

**Flaherty, Gregory Shawn (REB,  
REO)**  
4444 Mission Blvd., San Diego  
*Effective:* 7/11/00  
*Officer of:* Penny Realty, Inc.  
*Violation:* 2752, 2826, 2831,  
2831.1, 2832.1, 2834, 2835,  
10145, 10176(a)(e)(i), 10177(d)  
Suspended for 60 days-stayed for  
1 year on terms and conditions

**Penny Realty, Inc. (REC)**  
4444 Mission Blvd., San Diego  
*Effective:* 7/11/00  
*Violation:* 2752, 2826, 2831,  
2831.1, 2832.1, 2834, 10145,

10176(a)(i), 10177(d)  
Suspended for 60 days-stayed for  
1 year on terms and conditions

**Schofield, Joseph Ray (REB,  
REO)**  
1507 Gold Rush Way, Oceanside  
*Effective:* 8/4/00  
*Officer of:* Home Buyers  
Financial, Inc.  
*Violation:* 10148, 10161.8(b),  
10177(d)  
Suspended for 20 days-stayed for  
1 year on terms and conditions

### LICENSE SURRENDERED

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

### Los Angeles Region

**Caley, Shawn (REB)**  
901 S. Lone Pine Ln.,  
Anaheim Hills  
*Effective:* 8/1/00

**Jansen, Diana Lee (REB)**  
11 Vista Del Ponto, San Clemente  
*Effective:* 6/7/00

**Rubow, Terre Lynne (RES)**  
1455 Via Vallarta, Riverside  
*Effective:* 7/25/00

**Secured Investment Capital (REC)**  
7434 Vantage Ave.,  
North Hollywood  
*Effective:* 8/10/00

### Oakland Region

**Miller, Mark Anthony (RES)**  
1172 S. Main St., #230, Salinas  
*Effective:* 6/12/00

### Sacramento Region

**Whittle, Jennifer (RES)**  
P.O. Box 8229, Woodland  
*Effective:* 7/19/00

### San Diego Region

**Combs, Joe (RREB)**  
10789 Cariuto Ct., San Diego  
*Effective:* 6/12/00

**Home Buyers Financial, Inc. (REC)**  
1507 Gold Rush Way, Oceanside  
*Effective:* 8/4/00

### INDEFINITE SUSPENSIONS (under Recovery Acct. provisions)

### Los Angeles Region

**Ahn, John (REB)**  
1136 Flanders Rd., La Canada-  
Flintridge  
*Effective:* 7/17/00

**Diaz, Arthur (RES)**  
908 Calle Primavera, San Dimas  
*Effective:* 8/22/00

**Greenly, Jack R. (REB)**  
121 W. Coast Hwy., #402,  
Newport Beach  
*Effective:* 8/22/00

## Available in January 2001 Real Estate Law Book

The Department anticipates availability of the 2001 *Real Estate Law* book in January of 2001. The Law Book contains the Real Estate Law (from the Business and Professions Code), the Regulations of the Real Estate Commissioner (from the California Code of Regulations), portions of the Administrative Procedures Act, and pertinent excerpts from various California Codes.

### Electronic version

The electronic version of the 2001 Law Book will be available on CD (Windows and Macintosh on one CD) and on diskette (Windows only) in a Folio VIEWS information processing program providing users with powerful search, bookmarking and annotation features.

### Ordering

Purchasers should delay sending orders for the law book until early January of 2001. This applies to both the paper and electronic versions of the book.

### Cost

The price of the book will remain \$20, plus sales tax. We will also continue the discounted price of \$35 (plus tax) for the purchase of a paper book and an electronic version (CD or diskette). 🏠

**Johnson, George Albert (REB)**  
816 North O St., #55, Lompoc  
*Effective:* 8/1/00

**Kaneshiro, Russ Alan (REB)**  
20311 Valley Blvd., Ste. A,  
Hacienda Heights  
*Effective:* 8/22/00

**Lopez, Alexander Portillo (REB)**  
5315 E. Beverly Blvd., Ste. 4,  
Los Angeles  
*Effective:* 8/31/00

**Miller, Stephen Cotter (REB)**  
**Bansa Corporation (REC)**  
11150 W. Olympic Blvd., #860,  
Los Angeles  
*Effective:* 7/17/00

**Riedy, Gerald Allen (REB)**  
1411 W. 190<sup>th</sup> St., Ste. 200,  
Gardena  
*Effective:* 6/27/00

**Rocco, Gianni (RES)**  
9831 Cabanas Ave., Tujunga  
*Effective:* 6/27/00

**Watson, Wayne Hayes Jr. (REB)**  
10245-B La Hacienda,  
Fountain Valley  
*Effective:* 8/2/00

### Oakland Region

**Baseline Capital, Inc. (REC)**  
15951 Los Gatos Blvd., #11A,  
Los Gatos  
*Effective:* 8/1/00

**Parkinson, Michael William (REB)**  
2939 Old Almaden Rd., #14,  
San Jose  
*Effective:* 8/1/00

**Redwood Empire Mortgage  
Company, Inc. (REC)**  
725 Farmers Ln., Ste. 9,  
Santa Rosa  
*Effective:* 6/27/00

**Santiago, Rudolph (REB)**  
19195 Bellinzona Ave., Salinas  
*Effective:* 6/27/00

### SUSPENDED

### Los Angeles Region

**Glendora Mortgage, Inc. (REC)**  
1920 E. Alosta Ave., Glendora  
*Effective:* 8/23/00  
*Violation:* 2715, 10162, 10165,  
10177(d)

**Image Mortgage, Inc. (REC)**  
28751 Rancho California Rd.,  
Ste. 201, Temecula  
*Effective:* 8/23/00  
*Violation:* 2715, 10162, 10165,  
10177(d)

**Mortgage Lenders Acceptance  
Corporation (REC)**  
211 E. Imperial Hwy, Ste. 211,  
Fullerton  
*Effective:* 8/29/00  
*Violation:* 2715, 10162, 10165,  
10177(d)



## Web Site Addresses When are they fictitious business names?

The use of an Internet Web site by real estate brokers in connection with marketing efforts and customer support is becoming a standard practice in the real estate industry. This article will present general guidelines as to when the use of a Web site will simply be considered an address by the Department, and when it will be considered a fictitious business name.

The determination as to whether or not a Web site address used by a real estate broker needs to be filed with the Department as a fictitious business name depends primarily on how the address appears when it is displayed in advertisements. A Web site address will not be considered to be a fictitious business name by the Department if it is clear when it is displayed that it is only a Web site address, and not the name of the business that will be reached when the site is accessed. In order to comply with

this requirement, the following criteria should be met:

- The Web site address should be set forth in full wherever it is displayed. An example of this would be *www.daytimerealty.com*. Any abbreviations of the address, such as *daytimerealty.com* or some other variation, may be considered fictitious and therefore would require the broker to obtain a license to use the name.
- Any advertisement that displays the Web site address should include the licensee's actual name, and/or licensed fictitious business name if applicable, so that the public will know the name of the business that is being contacted when the site is accessed.
- There should be no information or use of the Web site address on the

Web site itself that will mislead the public as to the name of the business that they have contacted.

Although the licensing of a Web site address as a fictitious business name will not be required by the Department in cases where the above-referenced criteria is met, there is nothing in the Real Estate Law that would prevent a licensed real estate broker from doing so. A good practice for a broker would be to file a fictitious business name with the Department if there is any question with respect to compliance in this area. In order to accomplish this, a Broker Change Application (RE 204) will need to be filed with the Department, along with a copy of the fictitious business name statement that was filed with the county clerk in the county where the broker's main office is located. 🏠

## Examination Application Processing

The Examination Unit in the Licensing Section receives a high volume of examination applications. Over the past four years, there has been a 76% increase in the number of salesperson examination applications filed. Processing times are increased when examination applications are not properly completed. The remainder of this article will cover some of the common problems that are found in documents submitted to the Examination Unit for processing.

### Incomplete Applications

One common problem that causes delays in processing is the submission of incomplete or unsigned application forms. To avoid delays, examinees should carefully read the instructions that accompany the examination forms,

and ensure that the form is completed in full, including a signature. Exam applicants should ensure that all qualifying documentation is submitted with the application. The best way to cut processing time is by carefully including all of the required information the first time that the application is submitted. When it becomes necessary to submit additional qualifying information at the request of the Department, applicants should include a copy of DRE's correspondence with their reply. This will assist the Department in matching the information with the previously submitted application.

### Duplicate Paperwork

Examinees should avoid submitting the same examination application twice. In many cases, examinees sub-

mit an application by fax, and then mail the original application to the Department. In other cases, exam applicants fax the same application twice, sometimes days apart. When this happens, it can result in duplicate charges to an examinee's credit card and unwanted changes in a scheduled examination date. If it does become necessary to resubmit an application, the applicant should make a note on the application that it is a duplicate of a previously submitted application.

### Processing Time

The processing time for examination applications can range from two to four weeks, depending on the workload in the Examination Section. Exam applicants should allow sufficient processing time before contacting the Department or submitting duplicate applications and fees.

STATE OF CALIFORNIA — DEPARTMENT OF REAL ESTATE  
**BROKER EXAMINATION APPLICATION**  
 RE 403B (Rev. 7/00)

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STATE OF CALIFORNIA — DEPARTMENT OF REAL ESTATE  
**SALESPERSON EXAMINATION APPLICATION**  
 RE 403A (Rev. 7/00)

**GENERAL INFORMATION**

- Please read all instructions on this form before completing.
- Typeset print on ink.
- This is an original examination application and should be submitted only if you have not applied for this examination within the past two years. You may not be scheduled for more than one salesperson examination date at a time; therefore, do not submit more than one application.
- If you are simultaneously making application for both the salesperson and broker examination, you must submit a separate package including qualifying documentation and fees for each examination to be scheduled. Fees are not transferable from one exam to another and will not be refunded.
- If you electronically receive this form to facilitate completion via a computer, please be advised that the form should not be altered in any manner. To do so, could result in disciplinary action. Also, please make certain you do not delete any pre-printed information and are using the latest version of the form.

• Please do not call this your application to the Department. Your examination will only be processed after you appear for the examination at the California Civil Code Examination Center.

• Please enter your personal name and the email address of the person you wish to be notified of the results of your examination. Clarify the name and the email address and the name on your application if you have a nickname which does not have a keyboard.

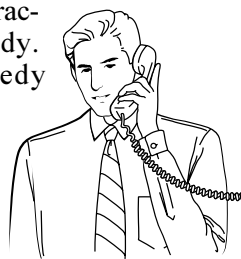
## Signed ... “As per telephone conversation”

by Larry Alamao, Assistant Chief Counsel

In a fast paced market where multiple offers and counter offers appear to be flying past, there is often a temptation to cut corners or take shortcuts in order to keep up with the flow of business. Some shortcuts, however, should not be taken. A Southern California real estate attorney advises us that he is seeing an increasing number of offers, counter offers, requests for repairs, responses to requests for repairs, and other documents signed by real estate agents for their clients “as per telephone conversation.” The attorney expressed some concern about this practice and we share his concern.

California law on this subject is very basic and very clear: No contract for the sale of real property can be enforced unless it is signed by the person against whom enforcement is sought (Civil Code Section 1624). Under the legal doctrine known as the “equal dignities rule,” whenever a statute requires a contract to be in writing, the authority of an agent to sign that contract for the principal must be in writing also. The written authority usually is in the form of a power of attorney. Absent a written power of attorney or ratification by the client, a contract signed “as per telephone conversation” is not enforceable. The consequences to the parties of not having an enforceable contract are obvious. If one party decides not to proceed with the transaction, the other

party is left with practically no remedy. The only remedy available to the injured party is a possible civil action or license disciplinary action against the agent based upon negligence or misrepresentation.



An agent who receives a document from another agent “signed on behalf of the client” should ask the signing agent if that agent has written authority to sign for the client. If there is no written authority, the receiving agent should advise his or her client that the document is probably not enforceable. The receiving agent should continue to try and obtain a properly signed document.

Fax machines, email and courier services have made delivery of documents to clients even in remote locations relatively easy. Even if the client doesn't have a home fax machine or computer, there are retail businesses that provide those services. Remember, a real estate agent should never sign contracts “on behalf of the client” without written authorization to do so from the client. The best advice we can give to a real estate agent tempted to sign documents on behalf of the client without written authority is don't do it. 🏠

## Transitions

### Bob Baker

Bob Baker, Assistant Chief Counsel, retired in November. Bob started with DRE in 1984 and has spent his entire career in the Los Angeles Legal Section. Replacing Bob will be Darlene Averetta. Darlene has been with the Legal Section for over eight years and has a wide variety of experience in handling Department related legal matters. She has also had experience as a Deputy Commissioner assigned to the Enforcement Section.

### Dan Garrett

Dan Garrett, Assistant Commissioner for Legislation and Public Information, will be retiring in January. Dan has 26 years of State service, 20 of which were with DRE. As of press time, no successor has been named.

## Exam Applications

*Continued from page 9*

### Mailing Address

The Department recommends that examinees use a personal mailing address when corresponding with the Department. The use of a real estate school, or business mailing address could cause a delay in mail delivery. It should be noted that examinees are able to determine their scheduled examination date, as well as their examination results, from the convenience of their home computer by accessing the Department's Web site at [www.dre.ca.gov](http://www.dre.ca.gov). By regularly checking this site, examinees will be able to determine their scheduled examination date or results without waiting for mail delivery.

The Department's staff makes every effort to ensure that the examination and original licensing process runs smoothly so that individuals entering the field of real estate do not incur unnecessary delays. Please help us to help you by taking care with the applications that are submitted. 🏠

*Seasons Greetings*  
*from the staff at*  
**DRE**

# Real Estate Publications

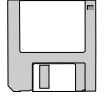
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- To order one or more of DRE's publications, photocopy or remove this page from your *Bulletin*. Complete and submit all information requested.
- Prices are subject to change.
- Orders originating in California and over-the-counter sales must include the state sales tax (7.75% for mail orders). Requests and fees will be returned if the appropriate sales tax is not included.
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## Miscellaneous

- Refer to DRE's Web site for downloadable forms and brochures.

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	2A	Real Estate Law Book (diskette - Windows version) <i>Refer to system requirements above.</i>	\$20		
		Real Estate Law Book — Paper copy <b>AND</b> <input type="checkbox"/> CD (contains Windows & Macintosh) <input type="checkbox"/> Windows diskette			
	4	Instructions to License Applicants ( <i>brochure</i> )	<i>free</i>		
	6	Disclosures in Real Property Transactions ( <i>booklet</i> )	\$2		
	8	Operating Cost Manual for Homeowner Associations	\$10		
	13	Trust Funds ( <i>booklet</i> )	<i>free</i>		
	25	Reserve Study Guidelines for Homeowner Association Budgets ( <i>revised 2000</i> )	\$10		
	34	A Guide to Mobilehome Park Purchases by Residents ( <i>booklet</i> )	\$2		
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	35A	Using the Services of a Mortgage Broker ( <i>brochure</i> ) ( <i>35 &amp; 35A are a set</i> )	<i>per set</i>		
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## February and April conferences scheduled Real estate educators

The California Community Colleges Real Estate Education Center will sponsor a mid-winter Real Estate Educators' Conference on Friday, February 23<sup>rd</sup> in San Diego. Please contact the Center for the location of the conference.

The conference is open to public and private school educators and others interested in real estate education. Advance registration is \$25 for educators who are affiliated with a community college and \$30 for noncommunity college persons. After February 14<sup>th</sup>, registration is \$35 for educators affiliated with a community college and \$40 for noncommunity college persons. Participants may also register at the door. The conference will begin at 9 A.M.

**Speakers include:**

- ✓ Leslie Appleton-Young, Chief Economist and vice President of

the California Association of Realtors;

- ✓ Syndicated columnist/instructor Robert Bruss of the College of San Mateo;
- ✓ California Department of Real Estate Deputy Commissioner Janice Waddell;
- ✓ California Office of Real Estate Appraisers Licensing and Enforcement Division Chief John Brenan.

Participants may earn Department of Real Estate and/or Office of Real Estate Appraisers continuing education credit towards license and certificate renewal at the conference. A three-hour seminar, "How to Use Real Estate for Retirement Planning," will be offered from 2 to 5 P.M. There is an additional \$15 seminar fee.

The California Community Col-

leges Chancellor's Office and the Real Estate Education Center in Modesto sponsor instructor workshops each semester that are funded by earnings from the Community Colleges Real Estate Education Advancement Endowment Fund. The fund was established in 1975 by a grant from the Department of Real Estate to the California Community Colleges Board of Governors.

The Center will also sponsor a spring conference on Friday, April 20<sup>th</sup> in Oakland. Additional information may be obtained from the California Community Colleges Real Estate Education Center, Yosemite Community College District, PO Box 4065, Modesto CA 95352, telephone (209) 575-6965, fax (209) 575-6306. 🏠