



# ***NEWS RELEASE***

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## **California DRE Revokes Record Number of Real Estate Licenses - *Education is stressed as key to preventing falling victim to scams***

SACRAMENTO – The California State Department of Real Estate (DRE), which is responsible for licensing and regulating the activities of real estate brokers and salespersons, reported today that it revoked a record number of real estate licenses in the last fiscal year. The DRE also accepted a record number of license surrenders from licensees facing disciplinary action. All told, a record 1,109 licenses were suspended, surrendered and revoked in Fiscal Year 2011/12, which ended June 30, 2012.

For Fiscal Year 2011/12, the DRE revoked 781 real estate licenses, up nearly 14 percent from the 686 revocation actions last fiscal year. The DRE also suspended 190 real estate licenses for cause, up nearly 80 percent compared to the 106 license suspensions in the prior year. License surrenders, which occur when a licensee surrenders his or her license rights while a disciplinary action is pending, also peaked at 138, up 20 percent from 115 the previous fiscal year.

The 1,109 license suspensions, surrenders and revocations represent a 100 percent increase compared to five years ago when suspensions, surrenders and revocations totaled 553. Moreover, the DRE issued a record 213 Desist and Refrain Orders, which are most typically issued to stop an unlicensed person or entity from engaging in acts for which a license is required. The 213 Desist and Refrain Orders represent an increase of 170 percent compared to the 79 issued five years ago.

The collapse of the real estate market clearly contributed to the record number of disciplinary actions. With the large number of financially stressed homeowners, the table has been set for scammers involved in foreclosure rescue and short sale scams. With respect to foreclosure rescue scams, since 2010 the DRE has filed nearly 500 accusations and Desist and Refrain Orders against nearly 1,400 respondents who were involved specifically in illegal foreclosure rescue and short sale scams.

“While purging the unscrupulous operators from the real estate industry is vitally important to protecting consumers, it is only one piece to the puzzle. Consumer education is the key piece to really protecting consumers. We need to educate consumers on how to avoid scams” stated Bill Moran, DRE Enforcement Chief and Acting Chief Deputy Real Estate Commissioner.

In order to help consumers avoid falling victim to scams, the DRE has created publications and issued alerts on a variety of topics including how to avoid scams, how to find a real estate agent and information on the foreclosure process. For the latest CONSUMER ALERTS, tips on how to protect yourself from real estate scams and more information on the DRE, please visit [www.dre.ca.gov](http://www.dre.ca.gov).

The mission of the DRE is to safeguard and promote the public interests through licensure, regulation, education and enforcement. If you believe you have been a victim of real estate fraud or a mortgage loan rescue scam, you should file a complaint with the DRE. For information about the DRE, its programs or to file a complaint, visit [www.dre.ca.gov](http://www.dre.ca.gov).

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