



# REAL ESTATE BULLETIN

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

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

Department of Real Estate

Fall 2006

## Message from Commissioner Davi



I recently had the pleasure to speak to a Real Estate Appraiser's Professional Trade Association about the growing population of real estate licensees, which is now well over 500,000, and the activities that are taking place at the Department of Real Estate (DRE). As the number of appraiser licensees has also increased, I was pleased to share that the DRE has partnered with the State Department of Corporations, Department of Financial Institutions and the Office of Real Estate Appraisers to develop a centralized Internet location to verify licensing information from all four departments. With so many new licensees entering all aspects of the business, the one stop license verification portal has proven to be very useful and informative. The combined California Real Estate and Financial Services License Status check feature can be accessed from any of the aforementioned departments' Web sites. It is available on the DRE Web site at [www.dre.ca.gov/licinfo.htm](http://www.dre.ca.gov/licinfo.htm).

In addition, it was good to have the opportunity to hear from this partner industry that is so critical to the success of your real estate business. I came away with a better understanding of some of the issues facing their industry.

In this regard, I would like to take advantage of this opportunity to remind every licensee that when they are working with an appraiser, there are laws and regulations which govern appraisers, just as there are for real estate licensees. I was told that many licensed real estate appraisers are concerned that on occasion, attempts are made to pressure

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## Continuing education reminder

Under the provisions of AB 223, all licensees who have a license expiration date of June 30, 2007, or later, or who file a renewal application on a late basis after that date, will be required to complete a DRE approved 3-hour course in Risk Management as part of their mandatory continuing education requirement. The continuing education requirement for salespersons who are completing their **first renewal** on and after July 1, 2007, will increase from 12 hours to 15 hours with the addition of a Risk Management course. All other salespersons and all brokers with a license expiration date of June 30, 2007, or later, or who renew on a late basis after that date, will be required to complete a course in Risk Management as part of their 45 hour continuing education requirement. 🏠

## DRE business advances

Last fiscal year, DRE was strategically positioned to pursue an increase in the workforce that will help promote consumer protection and technical innovations that will expand service offerings. With the support of the Administration, the Real Estate Commissioner was successful in incorporating the funding for 39 new positions and the initiation of three major technology endeavors in the fiscal year 2006/07 budget.

### New Positions

The Department is hiring additional Enforcement Program staff to improve investigative, audit and legal processing time frames; Subdivision Program personnel to be dedicated to processing timeshare and complex subdivision filing applications; and Information Technology resources committed to developing and supporting additional services for the licensee population and consumers.

### Technology Endeavors

#### Electronic Examinations

✓ DRE's planned Electronic Examinations System will automate the manual examination administration processes. This new system will provide DRE with the capability to reduce the overall turnaround time for candidates to

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 Official Publication of the  
 California Department of Real Estate

Vol. 66, No. 3                      Fall 2006

STATE OF CALIFORNIA  
 Arnold Schwarzenegger, *Governor*

BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
 Sunne Wright McPeak, *Secretary*

DEPARTMENT OF REAL ESTATE  
 Jeff Davi, *Commissioner*

**PRINCIPAL OFFICE**

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

**Administration**

John R. Liberator, *Chief Deputy Commissioner*  
 Thomas L. Pool, *Asst. Comm., Legislation & Public Information Services*  
 Chris Neri, *Assistant Commissioner, Subdivisions*  
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**Real Estate Bulletin**

Thomas L. Pool, *Editor*  
 Rosa Arellano, *Publications Deputy*  
 Margaret Lahey, *Production Editor*

**Primary Telephone Numbers**

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

**NORTHERN ENFORCEMENT AREA — DISTRICT OFFICES**

- Steve Ellis, *Managing Deputy Commissioner IV*
- 2550 Mariposa Mall, Suite 3070, **Fresno**, 93721-2273  
 John Sweeney, *Managing Deputy Commissioner III*  
 Consumer Information .....
  - 1515 Clay Street, Suite 702, **Oakland**, 94612-1462  
 Ed Haberer, *Managing Deputy Commissioner III*  
 Consumer Information .....
  - 2201 Broadway, **Sacramento**  
 Mailing Address: P.O. Box 187000, Sacramento, 95818-7000  
 Charles W. Koenig, *Managing Deputy Commissioner III*  
 Consumer Information .....

**SOUTHERN ENFORCEMENT AREA — DISTRICT OFFICES**

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- 320 W. 4th Street, Suite 350, **Los Angeles**, 90013-1105  
 Maria Suarez, *Managing Deputy Commissioner III*  
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 Consumer Information .....
  - 1350 Front Street, Suite 3064, **San Diego**, 92101-3687  
 J. Chris Graves, *Managing Deputy Commissioner III*  
 Consumer Information .....

**SUBDIVISIONS**

- Chris Neri, *Assistant Commissioner, Subdivisions*
- 2201 Broadway, **Sacramento**  
 Mailing Address: P.O. Box 187005, Sacramento, 95818-7005  
 vacant, *Managing Deputy Commissioner III*  
 Consumer Information .....
  - 320 W. 4th Street, Suite 350, **Los Angeles**, 90013-1105  
 Robert D. Gilmore, *Managing Deputy Commissioner IV*  
 Consumer Information .....

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(For the deaf and hearing impaired)

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

**Commissioner's message**

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them into performing appraisals for a minimum value specified by a broker in a transaction. In an attempt to increase awareness of this issue, the Office of Real Estate Appraisers has provided me with the following information that describes a serious constraint appraisers are faced with when performing their duties.



When working with an appraiser, a broker may tell the appraiser that he or she needs to hit the sales price or make a certain value in order for the client to qualify for a loan. Although the broker may not intend to create a problem for the appraiser, he or she may be unaware that just by accepting the assignment under those conditions, the appraiser is at risk for disciplinary action against his or her license.

All licensed appraisers are required to conform to the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). The Conduct section of the Ethics Rule in USPAP states: "An appraiser must not accept an assignment that includes the reporting of predetermined opinions and conclusions."

In addition, each appraisal report must contain a certification signed by the appraiser, stating that his or her compensation for

**An appraiser must not accept an assignment that includes the reporting of predetermined opinions and conclusions.**

completing the assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client.

Many appraisers feel that they must comply with these minimum value requests from brokers or face the prospect of receiving no additional work in the future. As a result, they are performing a balancing act between keeping their license in good standing and keeping their client satisfied. The Office of Real Estate Appraisers encourages all appraisers to provide the best possible service to their clients. However, the appraiser must ensure that this is being accomplished within the framework of USPAP.

As real estate licensees, we should make every effort to help real estate appraisers remain in compliance with their governing laws. 🏠

## Beware of price inflation transactions

It has come to the DRE's attention that in recent months, there has been a number of purchase offers being negotiated throughout California that involve offers to purchase that significantly exceed the listing price. These purchase offers specify that the amount offered over the listing price be refunded to the buyer or to a third party at the close of escrow.

While there are many variations to these purchase transactions, it is typical for these offers to be \$70,000 to \$100,000 over the listing price. The purchase agreements often have addendum directing these monies to be paid through escrow either to the buyer, or to a third party sometimes described as a repairman. These transactions carry a high degree of risk of default and foreclosure for the lender because the buyer essentially has no money invested in a property that is most likely over encumbered.

While there is not a specific provision in the Real Estate Law that prohibits an arrangement such as the one described, these transactions raise significant concern that the lenders funding the loans are not aware of the terms and are being defrauded. Real estate licensees should exercise caution when representing parties in these transactions. Diligent efforts should be made to ensure that the lenders who ultimately fund the loans are aware of the original listing price and of the fact that there is cash being rebated through escrow at the direction of the buyer. One method for accomplishing this is for the listing and/or selling agent to require as a condition of closing escrow that the lender sign an

addendum acknowledging awareness that the property was sold for an amount over the actual listing price and that there are monies being refunded through escrow to the buyer or a third party.

Depending on the circumstances, real estate licensees who participate in these transactions subject themselves to potential disciplinary action under general statutes prohibiting participation in fraud or dishonest dealing. Also, the real estate appraisers involved in these transactions share in the risk of potential disciplinary action as their appraisals will be referred to the Office of Real Estate Appraisers to determine if the comparable sales used to justify the appraised value were valid. Moreover, in addition to potential license discipline and civil liability, there is also the prospect of criminal prosecution under federal or state law for defrauding a lending institution, and this applies not only for the real estate licensees involved, but also for the appraiser as well as for the buyer and seller.

When faced with the possibility of representing a buyer in one of these transactions, or when one of these offers is presented on a listed property, real estate licensees are well advised to take steps to ensure that the transaction terms are in the open for all parties to consider. To avoid potential consequences at a later date, remember the old adage: When in doubt, disclose, disclose, disclose, and do it in writing. In addition, a licensee may be best advised to seek their own legal counsel prior to being involved in any capacity in a transaction of this nature. 🏠

## Business advances

*Continued from page 1*

receive a real estate license while administering exams in a more efficient and effective manner. With Electronic Examinations, no examination booklets or answer sheets will be used. Candidates will be tested using computer equipment in one of the Department's examination centers. Significant improvements in examination security will be featured in the new system. Examination grading will be performed automatically at the conclusion of the exam. Those examinees who pass the electronic exam and have satisfied all license



requirements including fingerprint clearance, can be immediately provided with a temporary license.

### Interactive Voice Response (IVR) System

✓ This project will replace the existing Licensing telephone system with a new, modern call center that will improve the services DRE provides while ameliorating the customer service and business problems associated with the existing telephone system. The new IVR system will upgrade the existing call center system to current technology, increase the number of telephone calls answered, provide a more suitable method for mobile clients to obtain information, and provide appropriate automated service for callers. DRE will significantly improve its service delivery and provide quality

customer assistance through this new, optimally configured IVR system.

### IT Infrastructure Replacement

✓ The Department currently uses personal computers purchased in 1998, laser printers purchased in 1999, and laptops and servers purchased in 2001. The infrastructure has reached the end of its product support life cycle and this upgrade is necessary to support the technology needs of the Department's operating programs.

✓ These new, multi-year technology projects will be instrumental in providing information to consumers and enhanced service to the real estate industry. 🏠

# Disciplinary Action: March 06 - May 06



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

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

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

### Commissioner's Regulations

2715	Licensee's failure to maintain current business or mailing address with DRE
2725	Failure of broker to exercise reasonable supervision over the activities of his or her salespersons
2731	Unauthorized use of fictitious business name
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 to timely deposit trust funds in a qualified depository
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
2840	Failure to give approved borrower disclosure
2950(d)	Failure of broker handling escrows to maintain records and accounts
2950(g)	Broker-handled escrow disbursement without written instructions
2950(h)	Failure to disclose interest in the agency holding the escrow
2951	Improper record keeping for broker handled escrows
2970	Failure to submit advance fee material for review
2972	Advance fee accounting

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
10160	Failure to maintain salesperson licenses in possession of broker
10161.8	Failure of broker to notify Commissioner of salesperson employment
10163	Failure to obtain a branch office license
10176(a)	Making any substantial misrepresentation
10176(g)	Secret profit or undisclosed compensation
10176(i)	Fraud or dishonest dealing in licensed capacity
10177(a)	Procuring a real estate license by misrepresentation or material false statement
10177(b)	Conviction of crime
10177(d)	Violation of real estate law or regulations
10177(f)	Conduct that would have warranted denial of a license
10177(g)	Negligence or incompetence in performing licensed acts
10177(h)	Failure to supervise salespersons or licensed acts of corporation
10177(j)	Fraud or dishonest dealing as principal
10177(k)	Violation of restricted license condition
10177.5	Civil fraud judgment based on licensed acts
10229(a)	Violation of multi-lender requirements
10232.2(c)	Failure to provide trust funds reports
10232.4(a)	Failure to give and retain copy of lender purchaser disclosure
10236.4	Failure to include license number or DRE license information telephone number in documents
10240	Failure to give mortgage loan disclosure statement
10241	Improper mortgage loan disclosure statement

### Business and Professions Code

490	Substantially related criminal conviction
498	License obtained by fraud or misrepresentation
10085	Failure to submit advance fee materials
10130	Acting without license
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

### Financial Code

4973	Violation of Covered Loan Law
4975(a)(1)	Violation of Covered Loan Law

## REVOKED LICENSES

### Los Angeles Region

**Ballejos, Victoria (RES)**  
 1201 S. Euclid St., Anaheim  
 Effective: 3/7/06  
 Violation: 10130, 10145(c), 10177(d)(g)

**Beverly Hills Estates Funding, Inc. (REC)**  
 270 N. Canon Dr., #1860, Beverly Hills  
 Effective: 5/10/06  
 Violation: 10176(a)(i)

**Billops, Shana Monique (RES)**  
 542 E. Irvington St., Lancaster

Effective: 3/29/06  
 Violation: 490, 498, 10177(a)(b)

**Cuevas, Miguel Angel (RES)**  
 3530 Atlantic Ave., #200, Long Beach  
 Effective: 5/16/06  
 Violation: 490(a), 10177(b)

**Desert Pacific Financial, Inc. (REC)**  
 468 N. Camden Dr., Ste. 215, Beverly Hills  
 Effective: 5/10/06  
 Violation: 10176(a)(i)

**Duran, Sandra (RES)**  
 19185 Chole Rd., Apple Valley  
 Effective: 4/26/06  
 Violation: 490, 10177(b)

**Equity Express, Inc. (REC)**  
 PO Box 365, Temecula

Effective: 3/27/06  
 Violation: 10177(d)(g)

**Gonzalez, Jose (RES)**  
 PO Box 2847, Bell Gardens  
 Effective: 4/25/06  
 Violation: 490, 10177(b)

**Kasra, Amir (RES)**  
 4507 Park Verona, Calabasas  
 Effective: 5/22/06  
 Violation: 490, 10177(b)

**Llanio, Enrique Roman (RES)**  
 1414 N. Lima St., Burbank  
 Effective: 5/10/06  
 Violation: 490, 10177(b)

**Muro, Marisela (RES)**  
 10030 Foster Rd., Bellflower  
 Effective: 3/27/06  
 Violation: 10177(b)

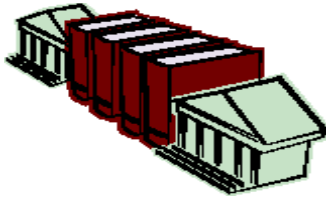
**Reeves, Dustin Michael (RES)**  
 8666 San Miguel Pl., Rancho Cucamonga  
 Effective: 4/25/06  
 Violation: 490, 10177(b)

**Russo, Peter John (RES)**  
 5462 Laurelton Ave., Garden Grove  
 Effective: 5/30/06  
 Violation: 490, 10177(b)

**Singh, Suresh Anthony (RES)**  
 3129 West 77<sup>th</sup> St., Los Angeles  
 Effective: 4/17/06  
 Violation: 490, 10177(b)

**Talavou, Papalii Ivo (RES)**  
 4260 W. First St., #102, Santa Ana  
 Effective: 5/3/06  
 Violation: 490(a), 10177(b)





**Vu, Tan Huy (REB, REO)**  
2990 Inland Empire Blvd., #120,  
Ontario  
Effective: 4/18/06  
Violation: 2725, 2753, 2831,  
2832.1, 2834, 2840,  
2950(d)(g)(h), 2951,  
10145, 10160,  
10161.8, 10176(g),  
10177(d)(g)(h),  
10236.4, 10240

**Wright, Shannon Y. (RES)**  
13362 Dos Lomas Way,  
Victorville  
Effective: 3/21/06  
Violation: 490, 10177(b)

### Sacramento Region

**Anderson, Bruce Christopher (REB)**  
457 Grass Valley Hwy, Auburn  
Effective: 3/30/06  
Violation: 490, 10177(b)

**Balanon, Carlos (RES)**  
416 Rialto Ave., Stockton  
Effective: 3/14/06  
Violation: 490, 10177(b)

**Bradford, Anita Dawn (RES)**  
PO Box 1628, Jamestown  
Effective: 3/16/06  
Violation: 490, 10177(b)

**Carrington Enterprises, Incorporated (REC)**  
9738 Elk Grove Florin, Ste. B,  
Elk Grove  
Effective: 5/11/06  
Violation: 2831, 2831.1, 2831.2,  
10145, 10177(d)

**Kovac, Bennett Louis (REB)**  
77 Cadillac Dr., Ste. 188,  
Sacramento  
Effective: 5/30/06  
Violation: 490, 10177(b)

**Quiles, Melissa Fabiola (RES)**  
878 Owl Cir., Vacaville  
Effective: 3/30/06  
Violation: 490, 10177(b)

**Stacy, Jerrod James (RES)**  
10139 Alta Mesa Rd., Wilton  
Effective: 3/13/06  
Violation: 490, 10177(b)

### San Diego Region

**Berry, Joey Christine (RES)**  
17527 Ashburton Rd., San Diego  
Effective: 4/5/06  
Violation: 490, 10177(b)

**Flint, George Octavio (RES)**  
4094 Via Hinton, Carlsbad  
Effective: 3/3/06  
Violation: 490, 10177(b)

**Lilac, Christopher James (RES)**  
5385 El Noche Way, San Diego  
Effective: 5/18/06  
Violation: 490, 10177(b)

**Martinez, Lisa Janine (RES)**  
P.O. Box 1764, El Centro  
Effective: 4/6/06  
Violation: 490, 10177(b)

**Pamelar, Emilio Loquino (RES)**  
4563 Limerick Way, San Diego  
Effective: 4/3/06  
Violation: 490, 10177(b)

**Rosello, Jose (RES)**  
9515 Whellock Way, San Diego  
Effective: 3/20/06  
Violation: 490, 10177(b)

**Scott, John Phillip (RES)**  
5288 El Cajon Blvd., #40,  
San Diego  
Effective: 4/10/06  
Violation: 490, 10177(b)

### Oakland Region

**Allen, Jason Hugh (RES)**  
6250 Plymouth Ave., Richmond  
Effective: 3/6/06  
Violation: 490, 10177(b)

**Boysal, Richard Lee (RES)**  
1867 Ygnacio Valley Rd., #200,  
Walnut Creek  
Effective: 3/1/06  
Violation: 490, 10177(b)

**Brunell, Teresa Maurine (RES)**  
PO Box 1726, Willits  
Effective: 5/17/06  
Violation: 490, 10177(b)

**Cai, Maria (RES)**  
16 Muirfield Rd., Half Moon Bay  
Effective: 5/30/06  
Violation: 490, 10177(b)

**Ceja, Magdalena (RRES)**  
1049 Bellhurst Ave., San Jose  
Effective: 5/8/06  
Violation: 490, 10177(b)

**Divecchio, Connie Frances (RES)**  
265 Killdeer Ct., Foster City  
Effective: 5/8/06  
Violation: 490, 10177(b)

**Gilbert, Eloise Joy (REB)**  
21690 Dorothy Way, Los Gatos  
Effective: 5/5/06  
Violation: 490, 10177(b)

**Lui, Elson Q (REB)**  
731 Vernal Way, Redwood City  
Effective: 3/6/06  
Violation: 490, 10177(b)

**Ocker, Clay Patrick (RES)**  
543 14<sup>th</sup> St., Fortuna  
Effective: 5/30/06  
Violation: 490, 10177(b)

**Son, James Kisik (RES)**  
39267 Mission Blvd., Fremont  
Effective: 3/27/06  
Violation: 490, 10177(b)

**Stone, Neworalean (REB)**  
1240 Fillmore St., #608,  
San Francisco  
Effective: 5/17/06  
Violation: 10177.5

**Whitehouse, Wendy Marie (RES)**  
467 Del Sol Ave., Pleasanton  
Effective: 3/8/06  
Violation: 490, 10177(b)

## REVOKED WITH A RIGHT TO A RESTRICTED LICENSE

### Fresno Region

**Aceves, Sandra (RES)**  
1117 Mandarin Ct., Modesto  
Effective: 4/10/06  
Violation: 490  
Right to RRES license on terms and conditions

**Caputo, Carolyn S. (REB)**  
282 St. Anton Circle,  
Mammoth Lakes  
Effective: 5/24/06  
Violation: 490, 10177(b)  
Right to RREB license on terms and conditions

**Jordan, Billy R. (REB, REO)**  
2009 W. Feemster, Visalia  
Officer of: Jordan-Link &  
Company  
Effective: 4/13/06  
Violation: 10177(d)(h), 10159.2  
Right to RREB license on terms and conditions

**Martinez, Ruben Murguia (RES)**  
4942 W. Douglas, #201, Visalia  
Effective: 4/13/06  
Violation: 10130, 10137,  
10177(d)(f)  
Right to RRES license on terms and conditions

### Los Angeles Region

**AFG Funding, Inc. (REC)**  
2421 W. Beverly Blvd.,  
Montebello  
Effective: 4/4/06  
Violation: 10177.5  
Right to RREC license on terms and conditions

**Barnard, Ronald Lynn (REB, REO)**  
3646 Hamner Ave., Norco  
Officer of: Home Center  
Mortgage, Inc.  
Effective: 5/26/06  
Violation: 2831, 2831.1, 2831.2,  
10137, 10145(a),  
10159.2, 10161.8,  
10240, 10241,  
10177(d)(h)  
Right to RREB license on terms and conditions

**Black, Mark Edward (REB)**  
743 S. Brea Blvd., #15, Brea  
Effective: 4/3/06  
Violation: 490  
Right to RREB license on terms and conditions

**Bunte, Scott Alan (RES)**  
108 Pacifica, #300, Irvine  
Effective: 4/13/06  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions

**Castlen, Julia Eleanor (REB)**  
2830 Glendon Ave., Los Angeles  
Effective: 4/3/06  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions

**Ceballos, Luis (REB)**  
2622 W. Beverly Blvd.,  
Montebello  
Effective: 4/12/06  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions

**Cho, Byeong H (RRES)**  
245 W. Loraine St., #217,  
Glendale  
Effective: 3/21/06  
Violation: 10177(k)  
Right to RRES license on terms and conditions

**Christian, Charles Austin (RES)**  
PO Box 292, Etiwanda  
Effective: 4/4/06  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions

**Cox, Thomas M. (REB, REO)**  
10535 Foothill Blvd., #120,  
Rancho Cucamonga  
Effective: 5/30/06  
Violation: 10177(f)(g)  
Right to RREB license on terms and conditions

**Dean, Kim (RES)**  
444 N. First St., Blythe  
Effective: 5/16/06  
Violation: 490, 10177(b)  
Right to RRES license on terms and conditions

**Garcia, Joseph R. (REB)**  
401 Promontory Dr. East,  
Newport Beach  
Effective: 5/23/06  
Violation: 490, 10177(b)  
Right to RREB license on terms and conditions

**Grace, Roger Lynn (REB)**  
80-916 Hwy 111, Indio  
Effective: 4/17/06  
Violation: 10177(d)(g)  
Right to RREB license on terms and conditions

**Harbin, Pierre Andre (REB)**  
1730 N. Gramercy Pl., #209,  
Los Angeles  
Effective: 3/27/06  
Violation: 498, 10177(a)  
Right to RREB license on terms and conditions

**Home Center Mortgage, Inc. (REC)**  
3646 Hamner Ave., Norco  
Effective: 5/26/06  
Violation: 2831, 2831.1, 2831.2,  
10137, 10145(a),  
10161.8, 10240,  
10241  
Right to RREC license on terms and conditions

**Kelly, David Joseph (RES)**  
1621 West 25<sup>th</sup> St., #179,  
San Pedro  
Effective: 3/6/06  
Violation: 490, 10177(b)(j)  
Right to RRES license on terms and conditions

**Koo, Johnny (RES)**  
404 Shatto Pl., #346A,  
Los Angeles  
Effective: 3/14/06  
Violation: 10177(a)  
Right to RRES license on terms and conditions

**Mathews, Susan C.M. (REB)**

2341 S. Azusa Ave., West Covina  
Effective: 3/15/06  
Violation: 490, 10177(b)  
Right to RREB license on terms  
and conditions

**Ojukwu, Emeka (RES)**

5150 East Pacific Coast Hwy,  
#595, Long Beach  
Effective: 4/21/06  
Violation: 10177(g)  
Right to RRES license on terms  
and conditions

**Robosky, G. Matthew (RES)**

431 S. Palm Canyon Dr.,  
Palm Springs  
Effective: 3/20/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Sipes, Truman Glenn (RREB)**

1300 Eastman Ave., Ste. 101,  
Ventura  
Officer of: Evans/Sipes., Inc.;  
S E Financial, Inc.  
Effective: 3/30/06  
Violation: 2831.1, 2831.2,  
10145(a), 10177(d),  
10240  
Right to RRES license on terms  
and conditions

**Torres, Manuel P. (RES)**

1798 N. Waterman Ave.,  
San Bernardino  
Effective: 4/25/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Turner, William Carl (RES)**

2420 W. Flower Ave., Fullerton  
Effective: 5/16/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Vasquez, Martin M. (RES)**

1904 ½ 12<sup>th</sup> St., #3, Santa Monica  
Effective: 4/17/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Sacramento Region****Allen, Ronnie D. (REB, REO)**

2251 Florin Rd., Ste. 108,  
Sacramento  
Officer of: Carrington  
Enterprises,  
Incorporated  
Effective: 5/17/06  
Violation: 2831, 2831.1, 2831.2,  
10145, 10159.2,  
10177(d)(h)  
Right to RREB license on terms  
and conditions

**Brewer, Eric Christian (RES)**

111 Park Dr., Roseville  
Effective: 4/6/06  
Violation: 490  
Right to RRES license on terms  
and conditions

**Miles, Tim David (RES)**

4700 Holiday Lake Dr.,  
Shingle Springs  
Effective: 5/11/06  
Violation: 490, 10177(b)

Right to RRES license on terms  
and conditions

**Paniagua, Minerva Yaneli (RES)**

1039 Meadowbrook Dr., Manteca  
Effective: 4/26/06  
Violation: 490  
Right to RRES license on terms  
and conditions

**Riley, Timothy Shane (RES)**

2136 Eureka Way, Redding  
Effective: 3/28/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Waid, Victor L. (REB)**

2625 Fair Oaks Blvd., Ste. 1,  
Sacramento  
Effective: 5/30/06  
Violation: 10137  
Right to RREB license on terms  
and conditions

**San Diego Region****Andrade, David Simon (RES)**

25212 Margurite Pky,  
Mission Viejo  
Effective: 5/2/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Moore, Marco A. (RES)**

765 Glover Ave., Chula Vista  
Effective: 3/30/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Perry, Donald Walter (RRES)**

3060 Bonita Rd., Ste. 201,  
Chula Vista  
Effective: 4/28/06  
Violation: 2832.1, 10145,  
10177(d)  
Right to RRES license on terms  
and conditions

**Smith, Theodore Marshall  
(REB, REO)**

2667 Camino del Rio South, #1C,  
San Diego  
Effective: 4/17/06  
Violation: 490  
Right to RREB license on terms  
and conditions

**Wilson, Peter Irving (RES)**

10025 Newtown Rd., Nevada City  
Effective: 3/17/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Oakland Region****Ayalin, Richard Nelson (RES)**

4322 Silva St., Antioch  
Effective: 4/11/06  
Violation: 490(a), 10177(b)  
Right to RRES license on terms  
and conditions

**Featherstone, Donnie R. Jr. (RES)**

2974 Birmingham Dr., Richmond  
Effective: 5/12/06  
Violation: 490  
Right to RRES license on terms  
and conditions

**Fox, Preston Keith (RES)**

1989-A Santa Rita Rd., #272,  
Pleasanton  
Effective: 3/10/06  
Violation: 490(a)  
Right to RRES license on terms  
and conditions

**Johnson Mortgage Acceptance  
Corp. (REC)**

850 Montgomery St., Ste. 100,  
San Francisco  
Effective: 5/8/06  
Violation: 2970, 2972, 10085,  
10130, 10146,  
10176(i), 10177(d)  
Right to RREC license on terms  
and conditions

**Johnson, Robert Glen (REB, REO)**

100 Pine St., Ste. 2450,  
San Francisco  
Officer of: Johnson Mortgage  
Acceptance Corp.  
Effective: 5/8/06  
Violation: 2970, 2972, 10085,  
10130, 10146,  
10176(i), 10177(d)  
Right to RREB license on terms  
and conditions

**Tietz, Richard W. (RES)**

1612 Geyser Cir., Antioch  
Effective: 5/4/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Tran, Sao Gia (RES)**

359 Flood Ave., San Francisco  
Effective: 5/1/06  
Violation: 490, 10177(b)  
Right to RRES license on terms  
and conditions

**Unger, Marcy Sheryl Toban (RES)**

129 Samoa Ct., San Ramon  
Effective: 4/20/06  
Violation: 4973, 4975(a)(1),  
10176(i), 10177(g)(j)  
Right to RRES license on terms  
and conditions

**SUSPENDED****Los Angeles Region****Coffey, Robert Simmonds (REB)**

1653 E. Euclid Ave., Camarillo  
Effective: 3/27/06  
Violation: 10130, 10177(d)  
Suspended for 45 days

**SUSPENDED WITH STAY****Fresno Region****American Star Financial Group,  
Inc. (REC)**

3955 Coffee Rd., Bakersfield  
Effective: 5/3/06  
Violation: 10130, 10137,  
10176(a), 10177(d)  
Suspended for 200 days-stayed for  
2 years on terms and conditions

**Hoover, Donald Kevin (RES)**

6500 Mt. Whitney Dr., Bakersfield  
Effective: 5/3/06  
Violation: 10130, 10177(d)



Suspended for 50 days-stayed for  
2 years on terms and conditions

**Porter, Glenn Edward (REB)**

3955 Coffee Rd., Bakersfield  
Officer of: American Star  
Financial Group, Inc.  
Effective: 5/3/06  
Violation: 10130, 10137,  
10159.2, 10176(a),  
10177(d)  
Suspended for 200 days-stayed  
for 2 years on terms and condi-  
tions

**Los Angeles Region****Brome, Marilyn Jacqueline  
(REB, REO)**

10912 Hunting Horn Dr.,  
Santa Ana  
Officer of: Rent Ready, Inc.  
Effective: 3/15/06  
Violation: 2831.1, 2831.2,  
10085, 10145(a),  
10177(d)  
Suspended for 60 days-30 days  
stayed for 2 years on terms and  
conditions

**Evans/Sipes, Inc. (REC)**

1500 Palma Dr., Ventura  
Effective: 3/30/06  
Violation: 2831.1, 2831.2,  
10145(a), 10177(d)  
Suspended for 60 days-stayed for  
2 years on terms and conditions

**MSREF, Inc. (REC)**

10940 Wilshire Blvd., Ste. 1549,  
Los Angeles  
Effective: 4/10/06  
Violation: 2725, 2834, 10137,  
10145(a), 10177(d),  
10240

Suspended for 90 days-stayed for  
2 years on terms and conditions

**Nardoni, William B.E. (REB)**

94 E. Highland Dr., Camarillo  
Effective: 3/8/06  
Violation: 2731, 2840, 10159.5,  
10163, 10177(d),  
10236.4, 10240,  
10241

Suspended for 30 days-stayed for  
2 years on conditions

**Peck, Dawn K. (RES)**

158 La Petera Dr., Camarillo  
Effective: 3/30/06  
Violation: 10130, 10177(d)  
Suspended for 90 days-60 days  
stayed for 2 years on terms and  
conditions

**Renshaw, Robert William (RES)**

1219 Sunset Plaza Dr., #1,  
West Hollywood  
Effective: 4/10/06  
Violation: 10130, 10177(d)  
Suspended for 90 days-stayed for  
2 years on terms and conditions



**Solomont, Marc Steven (REB, REO)**  
10940 Wilshire Blvd., Ste. 1549,  
Los Angeles  
Officer of: MSREF, Inc.  
Effective: 4/10/06  
Violation: 2725, 2834, 10137,  
10145(a), 10177(d),  
10240  
Suspended for 90 days-stayed for  
2 years on terms and conditions

#### Oakland Region

**Marin Capital Corporation (REC)**  
201 1<sup>st</sup> St., Ste. 100, Petaluma  
Effective: 3/27/06  
Violation: 2715, 2832, 10145,  
10177(d), 10232.2(c),  
10232.4(a)  
Suspended for 30 days-stayed for  
2 years on terms and conditions

**Neseralla, David Joseph (REB, REO)**  
201 1<sup>st</sup> St., Ste. 100, Petaluma  
Officer of: Marin Capital  
Corporation  
Effective: 3/27/06  
Violation: 2715, 2832, 10145,  
10159.2, 10177(d)(h),  
10229(a), 10232.2(c),  
10232.4(a)  
Suspended for 30 days-stayed for  
2 years on terms and conditions

#### LICENSE SURRENDERED

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

#### Los Angeles Region

**Cornejo, Efren Jr. (RES)**  
1948 Cheremoya Ave., #10,  
Los Angeles  
Effective: 4/11/06

**Rent Ready, Inc. (REC)**  
3200 E. Inland Empire Blvd.,  
#210, Ontario  
Effective: 3/15/06

**S E Financial, Inc. (REC)**  
1300 Eastman Ave., Ste. 100,  
Ventura  
Effective: 3/30/06

**Smith, Donald Tharpe Jr. (RES)**  
3241 Kempton Dr., Rossmoor  
Effective: 3/8/06

#### Oakland Region

**Ruppenthal, Stephen Hal (RES)**  
5173 Hutchinson, Sebastopol  
Effective: 3/7/06

#### San Diego Region

**Berg, Richard Dean (REB)**  
6188 Paseo Del Norte, Carlsbad  
Effective: 3/27/06

**Don Perry & Associates (REC)**  
3060 Bonita Rd., Ste. 201,  
Chula Vista  
Effective: 4/26/06

**Pitchford, Gerald Lee (RREB)**  
2217 Orange Grove Pl.,  
Escondido  
Effective: 5/17/06

#### PUBLIC REPROVAL

#### Fresno Region

**Jordan-Link & Company (REC)**  
2009 W. Feemster, Visalia  
Effective: 4/13/06  
Violation: 10137, 10177(d)

#### Los Angeles Region

**Allstate Home Loans, Inc. (REC)**  
5 Corporate Park, Ste. 100, Irvine  
Effective: 3/6/06  
Violation: 10177(g), 10236.4,  
10240(a)

**Conlee, Robert LaVerne (REB)**  
1301 Los Angeles Ave.,  
Simi Valley  
Effective: 3/6/06  
Violation: 10177(f)

**Hutchison, Terry Lee (REB)**  
16809 Mt. Fletcher Cir.,  
Fountain Valley  
Effective: 5/2/06  
Violation: 10148, 10177(d)

**Mulleda, Gwendolyn (REB)**  
13295 Spring Valley Pky,  
Victorville  
Effective: 4/10/06  
Violation: 2832.1, 10145,  
10177(d)

**Posin, Rory Reed (RES)**  
3078 Patricia Ave., Los Angeles  
Effective: 3/30/06  
Violation: 10176(a)

**Shanberg, Gregg Evin (REB, REO)**  
5 Corporate Park, Ste. 100, Irvine  
Officer of: Allstate Home Loans,  
Inc.  
Effective: 3/6/06  
Violation: 10159.2, 10177(h)

#### INDEFINITE SUSPENSIONS

*(under Recovery Acct. provisions)*

#### Los Angeles Region

**Baranda, Gordon (RRES)**  
1124 Bender Ave., Glendora  
Effective: 5/2/06



## Request a Federal Housing Administration (FHA) Guest Speaker

*For Your Next Office Staff Meeting*

FHA is providing speakers to inform individual real estate offices and lenders about the New FHA: Your Door to Homeownership.



- ✓ Learn about new FHA Legislation
- ✓ New Loan Limits
- ✓ Gift/ Down Payments
- ✓ Purchase and Repair Loans: "203K" or "Streamlined K"
- ✓ Reverse Mortgages "HECMs"
- ✓ Energy Efficient Mortgages
- ✓ Easy Credit Qualifying
- ✓ Alternative Credit Programs

Call The United States Department of Housing and Urban Development at (714) 796-1200 ext. 3611 or 3717 to schedule your FHA speaker.

## Have you used eLicensing lately?



**It's the fastest, easiest way to  
manage your real estate license!**

*Use it for license renewals, address  
updates, duplicate license requests,  
examination services and more...*



# Tax rules for foreign investors in U.S. real property

*from the Internal Revenue Service*

U.S. realtors and rental agents/property managers are encountering an increasing number of situations that involve foreign persons, defined as persons other than U.S. persons, acquiring U.S. real property. The tax rules governing disposition of any U.S. real property interest by foreign persons vary in many ways from those that apply to U.S. persons. Understanding the tax laws is critical for real estate professionals to avoid personal liability for improper U.S. federal income tax compliance.

The disposition of a U.S. real property interest by a foreign person (transferor) is subject to income tax withholding under the Foreign Investment in Real Property Tax Act of 1980 (FIRPTA). FIRPTA authorized the United States for the first time to tax foreign persons on disposition of U.S. Real Property Interests (USRPI).

A USRPI includes any sale of an interest in parcels of real property, as well as sale of any shares in certain U.S. corporations that are considered U.S. real property holding corporations. Any purchaser (transferee) of a USRPI from a transferor must withhold ten percent (10%) of the amount realized and remit such amount to the IRS within 20 days of the date of transfer, using Form 8288 (PDF), and Form 8288-A (PDF).

The transferee of the property must determine if the transferor is a foreign person. If the transferor is a foreign person and withholding does

not take place in accordance with the law, the transferee and the agent may be held liable for the tax.

There are exemptions to the withholding requirements of Internal Revenue Code section 1445. One of the most common exemptions to FIRPTA withholding, where the transferee does not have to withhold, is in a situation where the real property is purchased for use as a residence and the purchase price is not more than \$300,000. A listing of the exemptions from



FIRPTA withholding is in IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and at [www.irs.gov](http://www.irs.gov), using “FIRPTA” as a key search word.

In certain situations, such as when the tax due on the transferor’s gain from the sale is less than the withholding, the foreign transferor (or the transferee) can request from the IRS a reduction or elimination of withholding. The FIRPTA Withholding section on [www.irs.gov](http://www.irs.gov) has more information about reducing the withholding rate.

***Withholding on Rental Income Paid to a Foreign Person***

If a foreign person owns U.S. rental property and receives rental/investment income not connected with a U.S. business, the renter must withhold a flat rate of 30% (without deductions) of the rents, unless a tax treaty provides a lower rate or an exemption. Here are some basic rules regarding withholding on rent:

- IRC section 1441 provides for the withholding of tax paid by a withholding agent to a nonresident alien on various items of income, including rental income. The person paying rent, as well as the real property manager who collects rent on behalf of a foreign owner, are considered withholding agents.
- The person making payment of U.S. source rents to a foreign person must withhold 30% unless the foreign person claims reduced withholding based on a tax treaty (W-8BEN) or makes an irrevocable election with the IRS to treat the income as effectively connected to a U.S. trade or business (W-8EIC).
- Withholding agents must use Form 1042 and 1042S to report the tax withheld. The requirement to withhold 30% extends to the manager of the rental property if the tenant has not met the 30% withholding. Property managers who do not comply with these rules will be held liable for 30% of gross rent, plus penalties and interest.

For more information visit [www.irs.gov](http://www.irs.gov). 



## Compliance manual for mortgage loan brokers published



The Mortgage Loan Activities Unit receives a great majority of its telephone calls from mortgage brokers and salespeople asking compliance questions. Mortgage brokers must comply with many of the same laws as brokers engaged in real estate transactions, as well as laws that are specific to the mortgage industry. For instance, mortgage brokers must comply with the laws governing general business practices such as notifying the Department when hiring a salesperson and obtaining branch office licenses when opening additional offices. In addition, mortgage brokers are required to comply with laws that other real estate practitioners do not, such as the requirement to give a borrower disclosure statement and certain regulations relating to advertising. These statutes and regulations are all contained in the “Real Estate Law and the Regulations of the Real Estate Commissioner” published each year by the Department, but many licensees engaged in the mortgage loan business have asked

if there is one place they can go to review the rules affecting them.

In response to that need, the Department is pleased to announce that we have published the “Mortgage Loan Broker Compliance Evaluation Manual” (RE7). This manual was designed to serve as a convenient one-stop reference for brokers engaging in mortgage loan activities and was based on the “Broker Compliance Evaluation Manual” (RE5) that is a general resource for real estate brokers. The “Mortgage Loan Broker Compliance Evaluation Manual” contains many of the questions that a mortgage broker would be asked if visited by a DRE representative. It is divided into twelve sections and covers virtually every aspect of mortgage loan brokerage from general business practices to private money transactions and fractionalized notes. As a supplement to the manual, we have also published the “Mortgage Loan Broker Compliance Checklist” (RE7A). This checklist can be used by the broker as an

additional guide to help assure compliance.

At the present time the manual and checklist are available only on the DRE Web site at [www.dre.ca.gov](http://www.dre.ca.gov) under “Publications”. In addition to providing information to mortgage brokers, these resources can be printed and used to help familiarize salespeople with the laws and regulations with which they must also comply. Please note that the manual and checklist are not intended as substitutes for the Real Estate Law and Commissioner’s Regulations. Therefore, it is important for licensees to read the statutes and regulations referenced in the manual and checklist for a complete understanding of them.

We hope this manual and checklist will be of assistance to this State’s mortgage brokers and salespeople. As always, questions regarding this or any other issues can be directed to the Mortgage Loan Activities Unit staff at (916) 227-0770. 🏠

## California’s Home Buying Advantage for Teachers

*from California Housing Finance Agency*

Teachers shouldn’t have to choose between the career they love and the home they need. If your clients are teachers who use California’s Extra Credit Teacher Program, they won’t have to.

The Extra Credit Teacher Program is a special first-time home buying program administered by the California Housing Finance Agency (CalHFA). It is designed specifically for eligible teachers, administrators, and other staff members who serve in California’s high priority schools (API Rank 1-5).

This innovative program helps teachers in two ways. First, it gives teachers a 30-year fixed rate home loan

usually at a full interest point lower than most traditional loan programs. Plus, knowing how difficult it can be to come up with the cash for a downpayment, the Extra Credit Teacher Program also gives teachers a forgivable interest second loan of \$7,500 or 3% of the home sales price to use for their downpayment and closing costs.

The assistance doubles to \$15,000 or 3% of the sales price for teachers who live in any of 18 “high cost” counties in California. These counties include Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Solano, Sonoma, Monterey, San Benito, San

*Continued on page 10*

## Licensing annual report - Fall 2006

The Licensing Section is responsible for the administration of real estate license examinations as well as the issuance and renewal of salesperson and broker licenses. Due to the favorable real estate market, interest in obtaining a real estate license has increased significantly in recent years. DRE's licensing workload mirrors the elevated real estate market.

### Licensing and Examination Activity

In fiscal year 2005-06 the DRE scheduled over 267,000 real estate examinations. Comparing this to the previous two fiscal years, the number of salesperson examinations scheduled increased by 66% (2003-04) and 11% (2004-05) while the number of broker examinations increased by 39% and 16% respectively. Correspondingly,

the issuance of new salesperson licenses increased by 42% and 5%, while the issuance of new broker licenses increased by 59% and 17%. License renewals also increased by 28% and 26% for salespersons and by 21% and 15% for brokers.

### Population

The number of licensees previously peaked in FY 1991-92 with a total of approximately 376,000. Fiscal year 1992-93 started a downward trend, causing the number of licensees to drop to 295,527 in 1998. Since then, the number of licensees has steadily increased to our current population of approximately 511,000. This represents an annual increase of 12% over the number of licensees from the prior year.

### Improvements

To better serve license applicants, the DRE has implemented AB 2007.

Individuals may apply and pay for their real estate examination and license at the same time by submitting one application and fee. This procedure eliminates the need to file a separate application and fee for each step in the examination/licensing process and can reduce the overall time needed to obtain a license.

When the DRE Web site opened in fiscal year 2002-03, licensees completed 23,993 transactions. Since then, the Department has continued to expand the types of transactions available. During fiscal year 2005-06, there were more than 535,000 transactions completed online by applicants/licensees. More than half of those who renewed their licenses did so by using the DRE Web site. Since the inception of eLicensing, more than 1,008,000 transactions have been completed via this user friendly system. 🏠

## Teachers' Buying Advantage

*Continued from page 9*

Luis Obispo, Santa Barbara, Santa Clara, Santa Cruz, Ventura, Los Angeles, Orange, and San Diego.

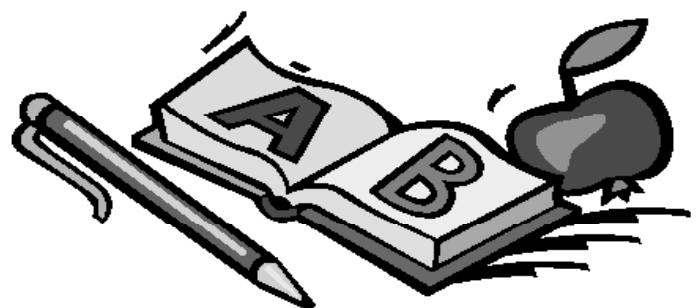
Whether the borrower lives in a high cost county or any one of California's other 40 counties, the second loan does not need to be repaid until the home is either sold or refinanced. And interest on the second loan is completely forgiven if the teacher stays in a high priority school for at least three years.

Since its inception in July 2001, the Extra Credit Teacher Program has helped realize the dream of homeownership for over 1,300 California educators. One of these is Rodney Black, a health teacher at Valley High School in Sacramento. "It's tough in this housing market to buy a home," says Rodney. "We didn't think we would be able to purchase a home because of my income. I tried other affordable loan programs that didn't work out for me until I discovered the Extra Credit Teacher Program through CalHFA."

"In California, our dedicated teachers face the double dilemma of buying a home on a teacher's salary in one of the country's most expensive housing markets," says

Theresa Parker, Executive Director of CalHFA. "The Extra Credit Teacher Program gives teachers a powerful tool in their efforts to become first-time homebuyers. And it sends a simple message to every teacher who chooses to help children in our most challenging schools: we appreciate your work and want to reward you for your continued commitment."

When you were a child, you probably had a favorite teacher. It's time to return the favor and become a teacher's favorite real estate agent! For more information, visit CalHFA's Web site at [www.calhfa.ca.gov](http://www.calhfa.ca.gov), or call at (877) 9-CalHFA. 🏠



# Real estate publications

## Ordering information

DRE publications are available:

**On the Internet** — All DRE publications are available free of charge on the DRE Web site at [www.dre.ca.gov](http://www.dre.ca.gov).

**In person from District Offices** — Complete Parts A, B, and C (if appropriate). Offices are located in Sacramento, Los Angeles, Oakland, Fresno, and San Diego.

**By mail** — Photocopy or remove this page from your *Bulletin*. Complete Parts A, B, and C (if appropriate). Mail it with the proper fee to:

Department of Real Estate  
Book Orders  
P.O. Box 187006  
Sacramento, CA 95818-7006

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

**By phone** — Have credit card information ready, then call Book Order desk at (916) 227-0852.

## Acceptable payment methods

- Personal check, cashier's check or money order should be made payable to: Department of Real Estate.
- VISA, MasterCard, and American Express credit cards may be used to purchase DRE publications.
- Cash is acceptable only if purchasing in person and only if it's the exact amount of purchase.

## California sales tax

Use 7.25% tax rate, unless purchase location or delivery address is in the following counties: Alameda (8.25%), Fresno (7.875%), Los Angeles (8.25%), Marin (7.75%), Sacramento (7.75%), and San Diego (7.75%). Requests and fees will be returned if the appropriate sales tax is not included.

## Miscellaneous information

- Prices are subject to change.
- Orders received with incorrect payments will be returned.
- **All sales are final — no refunds.**
- Allow 4–6 weeks for delivery.
- Volume discounts are available. Contact DRE at (916) 227-0852 prior to ordering.

## PART A SHIPPING INFORMATION

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

## PART B SHIPPING INFORMATION

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

## PART C CREDIT CARD PURCHASE

**To purchase publication by credit card, complete the following:**

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

Official Publication  
 CALIFORNIA DEPARTMENT OF REAL ESTATE  
 P.O. Box 187000  
 Sacramento, California 95818-7000

Real Estate Bulletin

## Private providers of pre-license educational courses

As most licensees are aware, educational courses required for licensure can be completed at either a college or university, or at a private vocational school provided the school has had the courses approved by the Department of Real Estate (DRE). Many licensees are under the assumption the DRE “approves” or “accredits” the private vocational schools. The DRE does not approve the schools; the DRE approves only the educational courses.

For many years, private providers of educational courses had to first obtain approval of their schools through the Bureau for Private Postsecondary & Vocational Education (BPPVE). After approval of the vocational school by the BPPVE, the school could then submit application for approval of their courses to the DRE. The process was to obtain approval of the school from

the BPPVE, and then approval of the courses by the DRE.

However, Senate Bill 1544, which became effective January 1, 2005, revised the definition of a “private postsecondary educational institution” to exclude institutions which exclusively offer courses or programs costing \$500 or less. What this means is that there is no longer any regulatory oversight of private vocational schools by the BPPVE for schools that do not offer courses at a cost of more than \$500. Many of the real estate pre-license courses offered by the private schools are offered at a cost of less than \$500. If a private school *does* offer courses costing over \$500, the school must still be qualified by the BPPVE.

If a private course provider offering a course costing \$500 or less fails to deliver the educational course or program as represented, a student’s

monetary remedy is to seek redress in Small Claims Court. Licensees are cautioned to fully understand the educational course/program offered by the provider before registering or enrolling.

A list of pre-license statutory courses approved by the DRE can be found on the DRE Web site at [www.dre.ca.gov](http://www.dre.ca.gov) under DRE Records. 🏠



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