

REAL ESTATE BULLETIN

Official Publication of the
California
Department of Real Estate

PETE WILSON, *Governor*
JIM ANTT, JR., *Real Estate Commissioner*

Spring 1996

Continuing Education Lives

by Tom Mabry, Education Manager

I'm sure many of you have at one time or another played the fascinating game of "Gossip". In this game, one person whispers a tidbit of information into another's ear, such as "Have you heard the latest? The Real Estate Commissioner is looking into all areas of the Continuing Education Program." The message is then passed on to the next person, and the next, and the next. After the last person is told the information, he must tell everyone out loud just what it is he heard. Needless to say, what the last person says he heard is totally unlike the original message.

I'm sure you know what this is leading up to. Yes, information that has been made public by the Commissioner and other DRE staff about examining the Continuing Education Program is making its way through the "gossip" line, resulting in many inaccurate messages. The latest rumor is that the Commissioner is going to "kill the CE Program". WRONG!

The continuing education requirement for license renewal is mandated by law. It cannot be terminated without going through the legislative process. The Commissioner is, however, looking into all aspects of the program in hopes of improving it. The Commissioner, in conformance with the policies of the Administration, wants to make it easier for CE sponsors to qualify the courses and wants to modernize some of the rules that apply to presenting the course. It is hoped that these changes will open up the competition so that you, the licensee,

DRE Doings on the Internet

In the current technological environment, the Department is attempting to take advantage of the potential to develop new and more cost-efficient methods to communicate with our clients. One which offers particular promise is the use of the World Wide Web on the Internet.

Currently, there is information available on the Internet as to Department of Real Estate (DRE) administered licenses and permits. This information is located at the California Government Homepage (<http://www.ca.gov/commerce/license/dept7a.html#broker>). It should be noted that this information is not a DRE homepage but is part of a larger "Business Licensing Handbook", administered by the State Library and others.

The Department has plans to publish its own homepage in the near future. Ultimately this site will provide the following features:

- The Department's Jurisdiction — Details on the Department's goals, programs and organization.
- Frequently Asked Questions — This is a common feature on homepages. It will be refined as conditions change.
- Consumer Information — Instructions on how to file a consumer complaint with the Department; reproduction of the

will have a greater choice when selecting a CE course.

Feel free to call me at (916) 227-0894 if you wish to discuss this subject further or if you have any questions. 🏠

DRE brochures: "Using the Services of a Mortgage Broker" and "Trust Deed Investments - What You Should Know!", and information on ordering DRE publications.

- How to Obtain a Broker or Salespersons License — Practical information taken from the "Instructions To License Applicants" brochure.
- About Renewing the Broker or Salesperson License — Practical information taken from the "Instructions To License Applicants" brochure.
- Licensee Status Inquiries — Information on how to check with the Department on a licensee's status.
- Information and Services for Licensees Only — Special updates on matters of interest to licensees; downloadable forms.

The above outline is considered a starting point. We intend to make this homepage a dynamic mechanism by which we can keep real estate licensees and the public informed on the latest information. We welcome your suggestions on what kind of features you would like to see on the "Net".



Although we do not yet have an address, we hope to establish links with appropriate sites, such as the California Association of Realtors homepage, the State of California homepage and others. So please watch for us! 🏠

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STATE OF CALIFORNIA

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DEAN R. DUNPHY, Secretary

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JIM ANTT, JR., Real Estate Commissioner

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TDD for the hearing impaired only (916) 227-0929

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Commissioner to Address Community College Real Estate Educators

by George Bairey, Director, California Community Colleges, Real Estate Education Center

Real Estate Commissioner Jim Antt, Jr. will be the keynote speaker at the spring California Community Colleges Real Estate Educators' Conference on Friday, April 26 in San Diego.

Commissioner Antt will discuss general real estate education issues. The luncheon will begin at 12:30 p.m.

Conference registration is open to all instructors, both public and private, and others interested in real estate education in the state. Members of real estate organizations also are invited. The conference will start at 9:00 a.m.

Registration is \$22 for persons who are affiliated with a community college; \$52 for others. Advance registration dead-

line is Wednesday, April 17.

Registration at the door also is accepted. The fee is \$32 for community college educators; \$64 for others.

The California Community Colleges Chancellor's Office and the Real Estate Education Center sponsor three conferences a year funded by earnings from the Community Colleges Real Estate Education Advancement Endowment Fund. The endowment was established in 1975 by a Department of Real Estate grant to the community colleges.

For additional information, please contact the California Community Colleges Real Estate Education Center, P.O. Box 4065, Modesto CA 95352; (209) 575-6465. 🏠

Expired License?

by Larry Cannon, Licensing Mgr.

Have you recently let your license expire?

Expired licensees are reminded that activities which require a license may not be performed until the license renewal process has been completed and a new license certificate has been issued. A commission or other form of compensation may not be legally earned for any real estate activity that requires a real estate license if the activity is conducted during the time the license is expired.

The penalties for conducting licensed activities without a

current valid license include the administrative sanction of license revocation and criminal prosecution. Individuals who conduct licensed activities when unlicensed may be criminally prosecuted and, if convicted, fined up to \$10,000, imprisoned in a county jail for not more than six months, or both a fine and imprisonment may be imposed. Similarly, a corporation is subject to a criminal fine not to exceed \$50,000.

By keeping your license status current, the above mentioned problems can be avoided.

Real Estate Advisory Commission

Michael Cortney
Vern Hansen
Melinda Masson
Mack Powell

George Francis
Betty Johnson
Walt McDonald
John Wong

Prepaid Rental Listing Service

by Tom McCrady, Managing Deputy Commissioner III

A Prepaid Rental Listing Service (PRLS) supplies its client with information regarding properties for rent. The client pays a fee in advance or at the time a listing is supplied. A PRLS does not negotiate rentals or collect rents. With certain statutory exceptions, those activities require a real estate broker license.

A person may operate a PRLS under either of two licenses: a real estate broker or a PRLS (two-year) license. A real estate broker performing PRLS activities is exempt from certain requirements imposed on a PRLS licensee, including the posting of a \$2,500 bond for each business location. (If a PRLS licensee fails to make a refund the client may take the matter to small claims court, where the award cannot exceed \$500.00 plus actual damages. If the award is not paid, the client/plaintiff can make a claim against the bond.)

Whether acting under a real estate broker or PRLS license, a PRLS operator must submit a proposed contract to the Department of Real Estate (DRE) for approval prior to its use. The contract must include:

- ✓ The name, business address and telephone number of the licensee, along with the signature of the licensee or his or her representative;
- ✓ Acknowledgment of receipt of the fee, including the amount;
- ✓ A description of the service to be performed by the licensee;
- ✓ Specifications of the desired rental property (type of structure; location; furnished or unfurnished; number of bedrooms; maximum acceptable monthly rent);
- ✓ The contract expiration date - not more than 90 days after execution of the contract;
- ✓ The right of the client to a refund of all of the fee in excess of

a \$25.00 service charge, if the client finds a rental during the term of the contract without the assistance of the PRLS or if the PRLS does not locate an acceptable rental during the term of the contract and the client demands the refund within ten days of the contract's expiration — those who act under a PRLS license rather than a broker license must also include a provision for a refund of the entire fee if three good listings are not provided within the first five days of the agreement;

- ✓ A clause in bold type setting forth the client's small claims court remedy if there is a dispute over a refund, along with a

clause advising that refunds need not be made if someone purchases listings for a purpose other than that of personal use or the use of a designated individual (e.g. to resell to other members of the public).

Both a PRLS license and a broker license are subject to revocation and/or criminal penalties for violation of PRLS laws.

Persons interested in the PRLS business should review Article 2.3 (Business and Professions Code Sections 10167, et seq.) of Chapter 3 of the Real Estate Law and Commissioner's Regulations 2850-2853, inclusive. 🏠

SB 304 Update

Some real estate licensees have expressed confusion over the recent state law, SB 304 (Chapter 98, 1995), which requires a seller to certify to a buyer that the water heater is anchored or strapped. The Winter 1995 *Real Estate Bulletin* included a water heater diagram from the *Homeowner's Guide to Earthquake Safety* featuring metal straps and rigid electrical conduit. Some have assumed that the method depicted in the diagram is *required* by the new law. That is not the case.

SB 304's minimum standard is the 1994 Uniform Plumbing Code. Section 510.5 of the code says:

...Water heaters shall be anchored or strapped to resist horizontal displacement due to earthquake motion. Strapping shall be at points within the upper one-third (1/3) and lower one-third (1/3) of its vertical dimensions. At the lower point, a minimum distance of four (4) inches shall be maintained above the controls with the strapping.

Therefore, a number of methods may be used to anchor or strap the water heater. One of the easiest and cheapest methods is to wrap the water heater with metal straps (also known as "plumbers' tape"; 16 gauge to 24 gauge is recommended) and to attach the ends of the straps to 2x4 wall studs with 1/4 x 3 inch lag screws with washers.

The new law applies statewide except where superseded by local codes.

If you require additional information on methods of securing water heaters, contact:

Mr. David Abeyta, Office Technician
Division of the State Architect
1300 I Street
Sacramento, CA 95814
(916) 445-1230

Assessments for Common Interest Development Projects

by Robert Gilmore, Manager, Subdivisions South Office

In order to provide funds for the operation of a homeowner association in a common interest project, the association levies assessments against each condominium unit or planned development lot. With these funds, the association maintains and operates the common areas and facilities, and sometimes portions of the residential structures.

The anticipated income and expenses of an association are outlined in its budget, which is initially reviewed by a Department of Real Estate appraiser prior to the issuance of a public report for the project. A prospective purchaser must have an opportunity to read the budget before executing an offer to purchase.

The collection of assessments against delinquent owners is normally set forth in the CC&Rs for the project. Generally, if an owner is delinquent in assessments, the association may enforce payment through court proceedings, or the lot or unit may be liened and sold through the exercise of powers of sale.

In addition to operating expenses, the budget must include reserves. Reserves are funds set aside to pay for future repair and replacement of major components which the association maintains. Exterior painting, roof replacement, equipment replacement, and pavement repair are examples of reserve expenses. Reserves are amortized monthly in advance so that special assessments will not be required at the time the funds are needed. In addition to being mandated and prudent, a healthy reserve fund may increase the marketability and value of units to knowledgeable purchasers.

Normally, monthly assessments commence on all lots or units no

later than the first day of the month following close of the first escrow for a unit in the project. This includes the developer's unsold lots or units. In order to delay payment of assessments on unbuilt units and common facilities, the developer may choose to "phase" the project. Assessments ordinarily will not commence in a phase until the close of the first escrow in that phase. However, assessments for the initial phases may be unacceptably high because the costs for completed facilities are distributed among a relatively small number of owners. Therefore, in order to stimulate sales, the developer may elect to subsidize assessments until future phases are brought into the project.

Regulation 2792.16(c) provides a means to delay commencement of full assessments. If a common facility or residential structure is not

complete at the time assessments commence, the owners may be exempt from paying that portion of the assessment which would be directly attributable to the existence and use of the completed facility or residence. This exemption may include exterior maintenance and utility expenses.

To assist subdividers and owners' associations in preparing budgets for common interest subdivisions, the Department of Real Estate has prepared the *Operating Cost Manual for Homeowners' Associations*. This manual is a compilation of cost data covering virtually every expense, including reserves, an association can expect to incur in the operation and maintenance of common facilities. Interested parties may use the order form in this *Bulletin* to obtain a copy of the handbook. 🏠

Reporting Cash Payments of Over \$10,000

The IRS has advised that if, in any twelve (12) months you receive more than \$10,000 in cash from one buyer as a result of a transaction in your business, you must report it to the Internal Revenue Service on Form 8300.

Congress previously passed the Tax Reform Act of 1984 and the Anti-Drug Abuse Act of 1988 which require you to report certain payments of over \$10,000.

A reportable transaction is one in which you, as a real estate agent or broker, receive cash in excess of \$10,000 either in one lump sum or in installments that cause the cash received in 12 months to total more than \$10,000. Cash is defined as coins, currency, cashier's checks, bank drafts, traveler's checks, and money orders that have a face value of less than \$10,000.

The Form 8300 is required to be filed within 15 days of receiving a cash payment of over \$10,000. If the cash is paid in a series of installments or is due to related transactions, file Form 8300 within 15 days of the payment that brought the total over \$10,000. You may also file Form 8300 if you suspect the transaction is being used to launder money.

Forms and Publication 1544, which explains the requirement in greater detail, may be obtained by calling the IRS at 1-800-TAX-Form. 🏠

DISCIPLINARY ACTION — SEPTEMBER 1995 TO NOVEMBER 1995

- ✓ 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 taken 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]
- ✓ The following are brief summaries of the numerical code sections listed. The full text of the various sections is found in the Business and Professions Code and the Regulations of the Real Estate Commissioner, 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.



Commissioner's Regulations

2715	Broker's failure to maintain current address with DRE
2725	Failure of broker to review and initial agreements
2726	Failure to have broker-salesperson agreements
2731	Unauthorized use of fictitious business name
2742	Failure of corporate broker to file articles of incorporation
2752	Broker's failure to notify DRE of new salesperson
2830	Failure to maintain trust fund account
2831	Inadequate trust fund records
2831.1	Inadequate trust fund records
2831.2	Inadequate trust fund records
2832	Failure to comply with specific provisions for handling trust funds
2832.1	Broker's failure to obtain permission to disburse trust funds from an account involving multiple beneficiaries
2833	Escrow trust fund handling violation
2834	Trust account withdrawals by unauthorized person
2840	Failure to give borrower disclosure
2842.5	Failure to obtain borrower's signature on a mortgage loan disclosure statement
2950(h)	Failure of broker to advise all parties of licensee's interest in agency holding escrow
2970	Misleading advance fee advertising material
2972	Advance fee accounting violations

Business and Professions Code

480(a)	Denial of real estate license on grounds of conviction of crime, dishonest or fraudulent act, or act which would warrant suspension of revocation of license
480(a)(3)	Denial of real estate license on grounds of having done act which, if licensed, would have resulted in suspension/revocation of license
490	Relationship of conviction of licensed activity
498	License obtained by fraud, deceit or misrepresentation/omitting a material fact
10085	Failure to submit advance fee materials
10086	Violation of order to desist and refrain
10130	Acting without license
10137	Unlawful payment of compensation
10140.6	Failure to disclose license status in advertising
10145	Trust fund handling
10145(c)	Failure by salesperson to deliver trust funds to broker
10146	Failure to handle advance fees as trust funds or to furnish verified accounting to principal
10148	Failure to retain records and make available for inspection
10148(a)	Failure to retain records and make available for inspection
10159.2	Failure by designated officer to supervise licensed acts of corporation
10159.5	Failure to obtain license with fictitious business name
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)	Commingling trust 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(e)	
10177(f)	Conduct that would have warranted denial of a license
10177(g)	Negligence or incompetence as licensee
10177(h)	Failure to supervise salespersons or corporation
10177(j)	Fraud or dishonest dealing not in licensed capacity
10177(k)	Violation of restricted license condition
10177.5	Civil fraud judgment based on licensed acts
10232(f)	Failure to notify DRE of threshold status
10232.4	Failure to give lender/purchaser disclosure
10240	Failure to give mortgage loan disclosure statement
10242	Exceeding allowable commissions, charges or interest rate on mortgage loan

LICENSES REVOKED

Fresno Region

Gahagan, Andrea Dee (RES)
8200 B1 Stockdale Hwy,
Bakersfield
Effective: 9/11/95
Violation: 490, 10177(b)

MacMillan, Jacqueline Marie (RES)
P.O. Box 414, Pismo Beach
Effective: 9/5/95
Violation: 490, 10177(b)

Nay, Orly Alexandra (REB)
1320 Standiford Ave., #300,
Modesto
Effective: 9/6/95
Violation: 490, 10177(b)

Theofanides, Thomas Gus (REB)
1744 I St., Merced
Effective: 11/28/95
Violation: 2830, 490, 10145,
10176(i), 10177(b)(d)(j)

Thrasher, Michael Anthony (RES)
P.O. Box 5156, Bakersfield
Effective: 10/18/95
Violation: 490, 10177(b)

Los Angeles Region

Andrade, Nadya Esguerra (REB)
8555 Paso Robles, Northridge
Effective: 11/21/95
Violation: 2715, 2731, 2830,
2831, 2831.1, 2832.1, 2834,
10145, 10159.5, 10163, 10165,
10177(d)

Arouh, Albert J. (RES)
15031 Ventura Blvd.,
Sherman Oaks
Effective: 10/24/95
Violation: 10176(a)(i)

Baron, Lita (RES)
1508 Laverne Way, Palm Springs
Effective: 9/28/95
Violation: 10130, 10137,
10177(d)(e)

Beaver, Jeffrey Bruce (REB)
2745 Mendoza Dr., Costa Mesa
Effective: 11/28/95
Violation: 2830, 2834,
10177(d)(g), 10240

Cheung, Allen (RES)
1630 Kenilworth Ave.,
San Marino
Effective: 9/26/95
Violation: 498, 10177(a)

Dantus, Abraham M. (REB)
2425 E. Slauson Ave., #114,
Huntington Park
Effective: 10/24/95
Violation: 10177(d)(g)

Erickson, Michael D. (RES)
20524 Ventura Blvd., #304,
Woodland Hills
Effective: 9/19/95
Violation: 490, 10177(b)

Flores, Filomeno Bonifacio Jr. (RES)
1725 S. Nogales, Rowland Heights
Effective: 11/22/95
Violation: 490, 10177(b)



- Glantz, Rosalyn (REB)**
12021 Wilshire Blvd., Ste. 737,
Los Angeles
Effective: 9/5/95
Violation: 10177(j)
- Golden Pacific Mtg, Inc. (REC)**
2101 W. Crescent Ave., Ste. J,
Anaheim
Effective: 9/5/95
Violation: 498, 10177(a)
- Henry, Dana Ray (RES)**
P.O. Box 6534, Santa Ana
Effective: 9/19/95
Violation: 10130, 10177(d)(f)
- Hsu, Shouming Victor (REB)**
11014 E. Greentree Ln.,
Temple City
Effective: 10/24/95
Violation: 490, 10177(b)
- Imperiale, Jeffrey J. (RES)**
P. O. Box 4732D, Orange
Effective: 11/6/95
Violation: 2715, 10177(d)(j)
- Le, Nguyet-Anh Thi (RES)**
4138 E. Bainbridge Ave., Anaheim
Effective: 11/14/95
Violation: 490, 10177(b)
- Major, Joseph Alfred (REB)**
P.O. Box 7564, Van Nuys
Effective: 9/19/95
Officer of: Xochilt, Incorporated
Violation: 10165, 10177(d)(h)
- Maranon, Angelina Shirley (RES)**
6208 Alcove Ave., N. Hollywood
Effective: 9/7/95
Violation: 498, 10177(a)
- Miller, Stephen Cotter (REB, REO)**
11150 W. Olympic Blvd., #860,
Los Angeles
Effective: 11/8/95
Officer of: Wade Cotter &
Company, Inc.
Violation: 10177.5
- Nerenberg, Nannette Lynn (RES)**
45 S. Hudson Ave., 9th Floor,
Pasadena
Effective: 10/31/95
Violation: 490, 10177(b)
- Neucke, Juan Carlos (REB)**
5161 E. Pomona Blvd., #213,
Los Angeles
Effective: 9/28/95
Officer of: Pacific Equity
Funding, Inc.
Violation: 10159.2, 10177(h)
- Nguyen, Peter (RES)**
201 N. Sagamore St., Anaheim
Effective: 10/4/95
Violation: 498, 10177(a)
- Pacific Equity Funding, Inc. (REC)**
5161 E. Pomona Blvd., Ste. 213,
Los Angeles
Effective: 9/28/95
Violation: 2832.1, 2842.5,
10130, 10145, 10177(d), 10242
- Par Funding Corporation (REC)**
716 Town & Country Rd., Orange
Effective: 11/22/95
Violation: 2831.2, 10177(d)
- Pascua, Violeta Rapacon (REB)**
21505 S. Peralta Dr., Carson
Effective: 9/6/95
Violation: 10162, 10165,
10177.5
- Pedriana, Floyd Lance (REB)**
1030 E. Ocean Ave, #610,
Long Beach
Effective: 10/24/95
Violation: 490, 10177(b)
- Pennock, Dovie Maye (REB)**
28364 Vincent Moraga Dr.,
Ste. A, Temecula
Effective: 11/14/95
Violation: 2725, 2752, 2831,
2831.1, 2840, 10137, 10145,
10161.8, 10177(d)(h), 10240
- Perez, Esteban David (RES)**
7300 Firestone Blvd., Downey
Effective: 10/3/95
Violation: 10145(c), 10176(a)(i),
10177(d)
- Pituch, Walter Michael (REB, REO)**
4887 Sapphire Rd., Chino
Effective: 9/20/95
Officer of: Walter M. Pituch, Inc.
Violation: 10176(a)(i),
10177(d)(g)(j), 10232.4
- Reliable Mortgage Corporation (REC)**
3660 Wilshire Blvd., Los Angeles
Effective: 11/28/95
Violation: 2831, 2831.1, 2831.2,
2832.1, 2833, 10145, 10176(c)(i),
10177(d)
- Robin, Michael Bennett (RES)**
P.O. Box 130011, Big Bear Lake
Effective: 9/14/95
Violation: 10130, 10177(d)
- Rose, Donna Faye (RES)**
8412 Shoup Ave., West Hills
Effective: 11/29/95
Violation: 10177(j)
- Sanchez, Jere Lynn (RES)**
23621 California Ave., Hemet
Effective: 9/12/95
Violation: 10177(a)
- Shakeri, Ali M. (REB)**
P.O. Box 2097, Mission Viejo
Effective: 9/7/95
Violation: 490, 10177(b)
- Stewart, Gary Wayne (REB)**
10320 Vernon St., #3, Montclair
Effective: 9/19/95
Violation: 10165, 10177(d)
- Sunrise Financial, Inc. (REC)**
1010 E. Union, #200, Pasadena
Effective: 11/21/95
Violation: 10177(d)
- Vaja, Alma Ruth (RRES)**
7056 Little Harbor Dr.,
Huntington Beach
Effective: 6/14/95
Violation: 10177(j)
- Valdiviezo, Manuel (RES)**
4037 Bemis St., Los Angeles
Effective: 9/19/95
Violation: 490, 10177(b)
- Veatch, Thomas Bernard Jr. (REB)**
1300 Bristol St North, #216,
Newport Beach
Effective: 9/26/95
Violation: 490, 10177(b)
- Wade Cotter & Co., Inc. (REC)**
11150 W. Olympic Blvd., #860,
Los Angeles
Effective: 11/8/95
Violation: 10177.5
- Walter M. Pituch, Inc. (REC)**
4887 Sapphire Rd., Chino
Effective: 9/20/95
Violation: 10176(a)(i),
10177(d)(g)(j), 10232.4
- Xochilt, Incorporated (REC)**
14451 Roscoe Blvd., Ste. 121,
Panorama City
Effective: 9/19/95
Violation: 10165, 10177(d)
- Zhen, Chao (RES)**
4933 Arden Dr., Temple City
Effective: 10/31/95
Violation: 490, 10177(b)

Sacramento Region

Alpine Paradise Properties, Inc. (REC)
2540 Lake Tahoe Blvd., Ste. 23,
South Lake Tahoe
Effective: 11/20/95
Violation: 2830, 2831.1, 2831.2,
2832, 2832.1, 2834, 10145,
10176(i), 10177(d)(j)

Bangart, Gary Lee (REB, REO)
2540 Lake Tahoe Blvd., Ste. 23,
South Lake Tahoe
Effective: 11/20/95
Officer of: Alpine Paradise
Properties, Inc.
Violation: 2830, 2831.1, 2831.2,
2832, 2834, 10145, 10176(i),
10177(d)(j)

Boerlin, Marc Elwood (RES)
9112-19 Madison Green Ln.,
Orangevale
Effective: 10/18/95
Violation: 498, 10177(a)

Burns, Allan Samuel (RES)
11523 Streeter Rd., Auburn
Effective: 11/27/95
Violation: 490, 10177(b)

California Valley Wide Mortgage, Inc. (REC)
151 N. Sunrise Ave., Ste. 705,
Roseville
Effective: 11/8/95
Violation: 2742, 2831.1, 10130,
10137, 10145, 10176(a)(i),
10177(d)(f), 10240

Christel, Sheldon L. (RES)
525 Oakvale Terrace,
Walnut Creek
Effective: 11/21/95
Violation: 490, 10177(b)

Galay, Oscar Togonon (RES)
1037 Redwood St., Vallejo
Effective: 11/20/95
Violation: 10176(a)(i)

Gibbons, Nola (RES)
7292 Cronin Cir., Dublin
Effective: 11/9/95
Violation: 498, 10177(a)

Giordano, Gordon Louis (REB, REO)
589 Mendocino Ave., Santa Rosa
Effective: 11/27/95
Officer of: Point West Real
Estate, Inc.
Violation: 10177(d), 10177.5

Hamilton, Michelle Debra (RRES)
206 Bella Vista Rd., Vacaville
Effective: 9/5/95
Violation: 10177(k)

Kadin, Elizabeth S. (RES)
P.O. Box 30, Anderson
Effective: 10/25/95
Violation: 490, 10177(b)

Katelhut, Lawrence Eden (RES)
664 A Freeman Ln., #181,
Grass Valley
Effective: 11/27/95
Violation: 490, 10177(b)

Morgan, Jimmy Harold (RES)
700 Sunrise Ave., Ste. F,
Roseville
Effective: 11/8/95
Violation: 10130, 10176(a)(i),
10177(d)(g)

Muhammad, Sheik Yusef Bin-Hasson (RES)
P.O. Box 962, Sacramento
Effective: 10/31/95
Violation: 498, 10177(a)

Muniz, Jose (RES)
2551 Park Marina Dr., #17,
Redding
Effective: 11/27/95
Violation: 10177(j)

Neilinger, Melinda Ann (RES)
2766 Carambola Circle South,
#A501, Coconut Creek, FL
Effective: 11/21/95
Violation: 490, 10177(b)

Northern California Management, Inc. (REC)
239 C St., Yuba City
Effective: 11/16/95
Violation: 2830, 2832.1, 2834,
10145, 10177(d)

Point West Real Estate, Inc. (REC)
1300 Ethan Way, Ste. 250,
Sacramento
Effective: 11/27/95
Violation: 10177(d), 10177.5

Smith, Jim Steven (RES)
3666 Wheobee Ln., Vacaville
Effective: 11/27/95
Violation: 490, 10177(b)

Tamayo, Brig Pimentel (RES)
141 Elna Dr., Vallejo
Effective: 10/26/95
Violation: 490, 10177(b)

Williams, Louis George (REB)
36 Westview Dr., Jackson
Effective: 11/9/95
Violation: 10145, 10176(e),
10177(d)

San Diego Region

Beach Cities Real Estate Property Management, Inc. (REC)
3150 Vista Way, Ste. C,
Oceanside
Effective: 10/3/95
Violation: 2742, 10137, 10148,
10162, 10165, 10177(d)(f)(g)

Edelson, Joseph (RES)
P.O. Box 15185, San Diego
Effective: 11/14/95
Violation: 490, 10177(b)

Haasl, Mary Ann (REB)
3138 Roosevelt, Ste. 0, Carlsbad
Effective: 10/3/95
Violation: 10176(e)(i),
10177(g)(j)

Haasl, Pamela Ann (RES)
P.O. Box 730, Bonsall
Effective: 10/3/95
Violation: 10130, 10176(e)(i),
10177(d)

Haasl, Paula Marie (RES)
P.O. Box 730, Bonsall
Effective: 10/3/95
Violation: 10130, 10176(e)(i),
10177(d)

Kroh, Jon Karen (RES)
11840 D Bernardo Terrace Dr.,
San Diego
Effective: 11/29/95
Violation: 490, 10177(a)(b)

Myers, Charles Edward (REB)
1012 Tulip Way, Carlsbad
Effective: 10/24/95
Violation: 490, 10177(b)

Riley, Danny Moris (RES)
7373 University Ave., La Mesa
Effective: 11/29/95
Violation: 490, 10177(b)

Sevilla, Ava Donna G. (RES)
236 Worthington St.,
Spring Valley
Effective: 9/26/95
Violation: 10177(d)(g)

Spencer, Samita Devi (RES)
1035 Hornblend Ave., San Diego
Effective: 11/21/95
Violation: 490, 10177(b)

Sullivan, John Leo (REB)
2939 Alta View Dr., Ste. Q,
San Diego
Effective: 11/28/95
Violation: 10177.5

Sutika, Joseph Edward (REB)
4465 Ocean Blvd., #25,
San Diego
Effective: 9/14/95
Violation: 10177(d)

Wedeven, Jacklyn (RES)
P.O. Box 12051, La Jolla
Effective: 11/22/95
Violation: 490, 10177(b)

Whitmoyer, James Arthur (RES)
P.O. Box 1376, La Jolla
Effective: 10/10/95
Violation: 10130, 10177(d)

San Francisco Region

Able-Tao Financial, Inc. (REC)
1932 Irving St., #118,
San Francisco
Effective: 11/9/95
Violation: 2715, 2830, 2831,
2831.2, 10145, 10148(a), 10162,
10165, 10177(d)

Armas, Panfilo Garcia (RREB)
3627 Mission St., San Francisco
Effective: 11/28/95
Violation: 490, 10177(b)

Auyong, Eric Y. H. (REB)
1111 N. Main St., #C-1, Salinas
Effective: 11/1/95
Violation: 10177.5

Cefalu, Allen Mark (RES)
920 Coeur D'Alene Way,
Sunnyvale
Effective: 10/24/95
Violation: 490, 10177(b)

Chastain, Kenneth William (RREB)
4675 Stevens Creek Blvd.,
Ste. 122, Santa Clara
Effective: 10/23/95
Violation: 10177.5

Del Favero, Alfred Joseph (REB)
1407 A St., Ste. B, Antioch
Effective: 1/6/94
Violation: 2726, 10145(a),
10176(i), 10177(b)(d)(j)

Denning, Robert Marlo (RES)
P.O. Box 2720, Monterey
Effective: 11/21/95
Violation: 490, 10177(b)

Felton, Arlington Duane (REB, REO)
20980 Redwood Rd., #210,
Castro Valley
Effective: 11/15/95
Officer of: Humphrey Mortgage
Investment, Inc.
Violation: 2831.2, 10148,
10176(a)(i), 10177(d)(h)(j),
10231.2(a), 10240

Fowler, Tracy James (RES)
1115 Dwyer Ave., San Jose
Effective: 10/24/95
Violation: 498, 10177(a)

Grobbel, Theresa Louise (RES)
P.O. Box 893, Kentfield
Effective: 10/23/95
Violation: 490, 10177(b)

Humphrey Mortgage Investment, Inc. (REC)
5990 Stoneridge Dr., Ste. 100,
Pleasanton
Effective: 11/15/95
Violation: 10148, 10176(a)(i),
10177(d)(j), 10231.2(a), 10240

Johnson, Robin Aleta (RRES)
1200 Lakeshore Ave, #20D,
Oakland
Effective: 9/7/95
Violation: 10130, 10137,
10177(d)(j)

Ku, William (RRES)
4979 Schelbert Terrace, Fremont
Effective: 9/5/95
Violation: 10177(k)

Leau, Adelaida Murillo (REB)
P.O. Box 1201, Daly City
Effective: 9/7/95
Violation: 10162, 10177(d)(j)

Leonor, Frances Cauilan (REB)
102 Summerrain Dr.,
S. San Francisco
Effective: 9/19/95
Violation: 490, 10177(b)

Lerman, Alan David (REB)
3119 Clayton Rd., Concord
Effective: 9/11/95
Violation: 490, 10177(b)

Nguyen, Minh (RES)
931 Whitcomb Ct., Milpitas
Effective: 9/5/95
Violation: 490, 10177(b)

Osmar, Marcus James (RES)
3504 Rockett Dr., Fremont
Effective: 10/24/95
Violation: 490, 498, 10177(a)(b)

Pardinez, James Ascencion Gatan (RES)
1111 N. Main St., #C-1, Salinas
Effective: 11/1/95
Violation: 10177.5

Pate, Sandra Judith (REB)
P.O. Box 339, Crescent City
Effective: 11/21/95
Violation: 10145, 10148,
10176(i), 10177(d)(g)

Pizarro, Jody Pillar (RES)
1252 Pearl St., Alameda
Effective: 9/11/95
Violation: 490, 10177(b)

Rowe, Anthony Paul (REB)
1999 S. Bascom Ave, Campbell
Effective: 11/28/95
Violation: 490, 10177(b)

Sagisi, Manuel A. (RES)
3334 Woodside Ln., San Jose
Effective: 9/18/95
Violation: 490, 10177(b)

Secured Equity Mortgage, Inc. (REC)
205 Crystal Springs Rd., #11,
San Mateo
Effective: 10/30/95
Violation: 2830, 2831.2, 2832.1,
10145, 10148, 10176(a)(i),
10177(d)

Stork, Juergen Helmut (RRES)
8029 Masfield Ct., West Hills
Effective: 9/29/95
Violation: 10177.5

Wedderburn, Jeffrey Allen (RES)
312 Sequim Commons, Fremont
Effective: 11/22/95
Violation: 498, 10177(a)

Winding, Frank D. (RES)
1086 Harvest Cir., Pleasanton
Effective: 11/27/95
Violation: 480(a), 10177(a)(b)

PUBLIC REPROVALS

Los Angeles Region

Duran, Ramon Estrada (REB, REO)
2901 W. Beverly Blvd.,
Montebello
Effective: 9/7/95
Violation: 10177(h)
Officer of: Dynamic Brokers,
Inc.
Publicly reproved

Dynamic Brokers, Inc. (REC)
2901 W. Beverly Blvd.,
Montebello
Effective: 9/7/95
Violation: 10177(d)
Publicly reproved

SUSPENDED INDEFINITELY

Sacramento Region

Satterfield, John Elbert (REB)
567 E. Lassen Ave., #202, Chico
Effective: 9/6/95
Violation: 10165, 10177(d)

San Francisco Region

California Centurion Loan Corporation (REC)
333 W. Santa Clara St., #220,
San Jose
Effective: 10/11/95
Violation: 10162, 10165,
10177(d)

Centurion Financial Corporation (REC)
333 W. Santa Clara St., Ste. 220,
San Jose
Effective: 10/11/95
Violation: 10162, 10165,
10177(d)

REVOKED WITH A RIGHT TO A RESTRICTED LICENSE

Fresno Region

Baker, Brent Lee (RES)
1525 S. Mooney, Ste. D, Visalia
Effective: 11/22/95
Violation: 498, 10177(a)
Right to RRES license on terms
and conditions

Los Angeles Region

Aguirre, Alejandro (RES)
9336 Dinsdale St., Downey
Effective: 9/5/95
Violation: 10177(g)
Right to RRES license on terms
and conditions

Aguirre, Nubia Del Carmen (REB)
9336 Dinsdale St., Downey
Effective: 9/5/95
Violation: 10177(g)
Right to RRES license on terms
and conditions

AMC, Inc. (REC)
10055 Slater Ave.,
Fountain Valley
Effective: 10/24/95
Violation: 2830, 2831, 2831.1,
2832.1, 2834, 10086, 10145,
10177(d)
Right to RRES license on terms
and conditions





- Armstrong & Armstrong, Inc. (REC)**
511 E. Main St., Santa Maria
Effective: 10/31/95
Violation: 2831, 2831.1, 2831.2, 2832.1, 2834, 10145, 10177(d)
Right to RREC license on terms and conditions
- Armstrong, Lillian Jeannette (REB, REO)**
511 E. Main St., Santa Maria
Effective: 10/31/95
Officer of: Armstrong & Armstrong, Inc.
Violation: 2831, 2831.1, 2831.2, 2832.1, 2834, 10145, 10159.2, 10177(h)
Right to RREB license on terms and conditions
- Ashley, Calvin Sylvester (REB)**
8355 Willis Ave., #30, Panorama City
Effective: 9/5/95
Violation: 2831(a)(6), 10159.2, 10177(d)(h)
Right to RREB license on terms and conditions. RREB license suspended for 6 months; all but 1 month stayed on condition.
- Beleville, Stephanie Maureen (RES)**
737 N. Groveton Ave., San Dimas
Effective: 11/21/95
aka: Macias, Stephanie Maureen
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
- Beverly Hills Capital Incorporated (REC)**
9301 Wilshire Blvd., #200, Beverly Hills
Effective: 9/7/95
Violation: 10177(d)
Right to RREC license on terms and conditions
- Cha-Umpluke, Puxpimon Toi (RES)**
5820 Marmion Way, #217, Los Angeles
Effective: 11/29/95
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
- Coleman, Marilyn T. (RES)**
744 S. Windsor Blvd., #3, Los Angeles
Effective: 11/28/95
Violation: 498, 10177(a)
Right to RRES license on terms and conditions
- Crowder, Charles David (REB)**
41280 Elm St., Murrieta
Effective: 10/25/95
Violation: 490, 10177(b)
Right to RREB license on terms and conditions
- Daniels, Denise Jean (RES)**
4502 Merridock Ct., Santa Maria
Effective: 10/31/95
Violation: 10177(g)
Right to RRES license on terms and conditions
- Ellington Ct. Realty, Inc. (REC)**
846 W. Glenoaks Blvd., Glendale
Effective: 11/21/95
Violation: 2725, 2731, 2752, 2831, 2840, 10137, 10159.5, 10161.8(a)(b), 10177(d), 10240
Right to RREC license on terms and conditions
- Frieden, Jeffrey Paul (RES)**
1018 Calle Venezia St., San Clemente
Effective: 10/13/95
Violation: 10177(d)(f)
Right to RRES license on terms and conditions
- Hauk, Jill Kay (RES)**
28941 El Apajo, Laguna Niguel
Effective: 9/19/95
Violation: 10177(d)
Right to RRES license on terms and conditions
- Lo, Chung Shung (REB, REO)**
419 N. Atlantic Blvd., Rm. 110, Monterey Park
Effective: 11/9/95
Officer of: Able-Tao Financial, Inc.
Violation: 2715, 2830, 2831, 2831.2, 10145, 10148(a), 10162, 10165, 10177(d)
Right to RREB license on terms and conditions
- Madadian, Vrej (REB, REO)**
846 W. Glenoaks Blvd., Glendale
Effective: 11/21/95
Officer of: Ellington Ct. Realty, Inc.
Violation: 10159.2, 10177(d)
Right to RREB license on terms and conditions
- Mc Dowell, Frank (REB, REO)**
10055 Slater Ave., Fountain Valley
Effective: 10/24/95
Officer of: AMC, Inc.
Violation: 2830, 2831, 2831.1, 2832.1, 2834, 10086, 10145, 10177(d)(h)
Right to RREB license on terms and conditions
- Melich, Carlos (RES)**
41907 Cabo Court, Quartz Hill
Effective: 10/31/95
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
- Minassian, Edik (REB)**
600 W. Broadway, Ste. 125, Glendale
Effective: 9/21/95
Violation: 10176(a)
Right to RRES license on terms and conditions
- Mize, Martha Lou (REB, REO)**
2201 Martin St., Ste. 202, Irvine
Effective: 10/3/95
Officer of: Rockford Financial Corporation
Violation: 10159.2, 10177(d)
Right to RREB license on terms and conditions
- Morinishi, Paul Takeshi (REB)**
16328 Redwood St., Fountain Valley
Effective: 11/22/95
Violation: 10177(h)
Right to RREB license on terms and conditions
- Quinto, Carlyn L. (REB, REO)**
9301 Wilshire Blvd., #200, Beverly Hills
Effective: 9/7/95
Officer of: Beverly Hills Capital Incorporated
Violation: 10177(d)(h)
Right to RREB license on terms and conditions
- Rockford Financial Corp. (REC)**
24001 Muirlands Blvd., #447, Lake Forest
Effective: 10/3/95
Violation: 2725, 2726, 2831, 2831.1, 2831.2, 2834, 2950(h), 10145, 10240
Right to RREC license on terms and conditions
- Sangeorge, John Peter (REB)**
430 North First Ave., Covina
Effective: 9/5/95
Violation: 10177(f)(j)
Right to RREB license on terms and conditions
- Santa Maria, Michael Lee (RES)**
21308 Pathfinder Rd., #101, Diamond Bar
Effective: 11/7/95
Violation: 10177(d)(f)
Right to RRES license on terms and conditions
- Siegel, Edward (REO)**
3660 Wilshire Blvd., Los Angeles
Effective: 11/28/95
Officer of: Reliable Mortgage Corporation
Violation: 10159.2, 10177(d)(h)
Right to RREB license on terms and conditions
- Tang, Andrew Duc (RES)**
13731 Linnert St., Garden Grove
Effective: 11/14/95
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
- Todd, Robert Kenneth (REB, REO)**
225 S. Sepulveda Blvd., Ste. 250, Manhattan Beach
Effective: 10/31/95
Violation: 10177(f)(h)
Right to RRES license on terms and conditions
- Uranga, Arthur Joseph (REB)**
1833 Acacia Hill, Diamond Bar
Effective: 11/28/95
Violation: 10177(g)
Right to RREB license on terms and conditions
- Vu, Danny Chung (RES)**
408 S. Deming St., Santa Ana
Effective: 11/29/95
Violation: 490, 498, 10177(a)(b)
Right to RRES license on terms and conditions
- Sacramento Region**
- Cary, Michael Guy Sr. (REB)**
4628 Watt Ave., Sacramento
Effective: 11/2/95
Violation: 10137
Right to RREB license on terms and conditions. RREB license to be suspended 90 days-all but 30 days stayed.
- Chalmers, William George (RES)**
5970 Long Acres Ct., Fair Oaks
Effective: 9/6/95
Violation: 10145(c), 10176(e), 10177(d)
Right to RRES license on terms and conditions
- Donaldson, Helen Kay (REB, REO)**
451 Parkfair Dr., Ste. 10, Sacramento
Effective: 11/8/95
Officer of: California Valley Wide Mortgage, Inc.
Violation: 2725, 10177(d)(h)
Right to RRES license on terms and conditions
- McNeil, Dennis Howard (RES)**
4160 Dresser Rd., Yuba City
Effective: 11/16/95
Violation: 10130, 10137, 10145(c), 10176(e)
Right to RRES license on terms and conditions
- San Diego Region**
- Gorman, Philip Brent (REB)**
5469 Kearny Villa Rd., #201, San Diego
Effective: 9/1/95
Violation: 490, 10177(b)
Right to RREB license on terms and conditions; RREB license suspended for 6 months.
- McCray, Brian Douglas (RES)**
7354 Celata Ln., San Diego
Effective: 11/2/95
Violation: 490, 10177(b)
Right to RREB license on terms and conditions
- Sandler, Helen Jo Ann (RES)**
P.O. Box 3474, La Mesa
Effective: 10/19/95
Violation: 10176(a), 10177(g)
Right to RRES license on terms and conditions
- Shank, Roi (RES)**
P.O. Box 4612, Carlsbad
Effective: 9/19/95
Violation: 498, 10177(a)
Right to RRES license on terms and conditions
- Warfield, Donald Herman (REB)**
810 Jamacha Rd., El Cajon
Effective: 9/18/95
Violation: 2832.1, 10086, 10145, 10159.2, 10177(d)(h)
Right to RREB license on terms and conditions

San Francisco Region

Frick, Juli A. (RES)
1001 Bridgeway, #111, Sausalito
Effective: 9/5/95
Violation: 2731, 10130, 10140.6, 10177(d)
Right to RRES license on terms and conditions

Lo, Angeline Wah-Vin (RES)
20644 Acadia Ct., Cupertino
Effective: 11/16/95
Violation: 490, 10177(b)
Right to RRES license on terms and conditions

Lo, Aurora Ang (REB)
P.O. Box 700538, San Jose
Effective: 11/8/95
Violation: 490, 10177(b)
Right to RREB license on terms and conditions

Paragon Mortgage, Inc. (REC)
680 E. Calaveras Blvd., Milpitas
Effective: 11/28/95
Violation: 2830, 2831, 2832.1, 2834, 10145, 10176(e), 10177(d), 10232(f), 10240
Right to RREC license on terms and conditions

Pirogovsky, Lev (REB)
1580 Lombard St., #5, San Francisco
Effective: 11/27/95
Violation: 10137, 10177(d), 10240
Right to RREB license on terms and conditions. RREB license suspended for 6 months.

Williamson, Harold Dean (REB, REO)
100 El Camino Real, Burlingame
Effective: 10/30/95
Officer of: Secured Equity Mortgage, Inc.
Violation: 2830, 2831.2, 2832.1, 10145, 10148, 10176(a)(i), 10177(d)(g)(h)
Right to RREB license on terms and conditions

Young, Ronald Lee (REB)
1 Uccell Blvd., Redwood City
Effective: 11/27/95
Violation: 2731, 2830, 2831.1, 2831.2, 2970, 2972, 10085, 10145, 10146, 10159.5, 10176(e)(i), 10177(d)
Right to RREB license on terms and conditions. RREB license to be suspended for 60 days

Zadeh, Hessam Momen (RES)
7009 Oakmont Dr., Santa Rosa
Effective: 11/16/95
Violation: 10177(g)
Right to RRES license on terms and conditions

SUSPENDED**Los Angeles Region**

Carpenter, Gary Duane (RES)
7414 Calico Trails, Orange
Effective: 11/14/95
Violation: 480(a)(3), 10177(f)
Suspended for 3 years

Espiritu, Rosalina Hao (REB)
222 E. Jay St., Carson
Effective: 10/24/95
Violation: 10177(f)
Suspended for 30 days

Friend, Donald Ray (REB)
24831 Alicia Pkwy, Ste. C224, Laguna Hills
Effective: 9/5/95
Violation: 2830, 2831, 2831.1, 2840, 2840.1, 10145, 110177(d), 10240
Suspended for 60 days

Kasra, Amir (RES)
19419 Gault, Reseda
Effective: 9/5/95
Violation: 10130, 10177(d)
Suspended for 30 days

Tavakkoli, Mohamad (REB, REO)
301 Mt. Olive Dr., Bradbury
Effective: 11/21/95
Officer of: Sunrise Financial, Inc.
Violation: 10177(h)
Suspended for 30 days

SUSPENDED WITH STAYS**Fresno Region**

Ford, Marilyn Yvonne (REB, REO)
5856 E. Illinois Ave., Fresno
Effective: 11/6/95
Violation: 10177(d)
Suspended for 90 days; all but 30 days stayed for 1 year on conditions

Withers, Lance Anthony (REB)
324 Oak St., Ste. R, Bakersfield
Effective: 11/16/95
Violation: 2830, 2831, 2831.1, 2831.2, 2832.1, 10145, 10177(d)
Suspended for 6 months; stayed for 1 year on terms and conditions

Young, Ashley Marie (RES)
8000 Kroll Way, #24, Bakersfield
Effective: 11/6/95
Violation: 10130, 10177(d)
Suspended for 60 days; stayed for 1 year on terms and conditions

Los Angeles Region

Armin, Amir (REB)
18340 Ventura Blvd., Tarzana
Effective: 9/5/95
Violation: 10177(d)(h)
Suspended for 60 days; stayed for 1 year on conditions

Bellamy, Leslie Gail (REB, REO)
5236 Village Green, Los Angeles
Effective: 11/20/95
Violation: 2725, 2741, 2831, 2831.2, 2832, 10177(d)
Suspended for 90 days; stayed for 1 year on terms and conditions

Carlton, Don L. (REO)
2300 Allessandro, Ste. 25, Ventura
Effective: 10/3/95
Violation: 2831, 2831.1, 2831.2, 2834, 10145, 10177(d)(h)
Suspended for 60 days-stayed for 2 years on terms and conditions

Don L. Carlton, Inc. (REC)
2300 Allessandro, Ste. 225, Ventura
Effective: 10/3/95
Violation: 2831, 2831.1, 2831.2, 2834, 10145, 10177(d)(h)
Suspended for 60 days; stayed for 2 years on terms and conditions

Flammang, Harry Lewis (RREB, RREO)
24050 Sunnymead Blvd., Moreno Valley
Effective: 11/2/95
Officer of: Sunnymead Realty Incorporated
Violation: 10159.2, 10177(h)
Suspended for 60 days; stayed for 1 year on terms and conditions

Gomez, Ralph Burciaga (RES)
6919 Pioneer Blvd., Whittier
Effective: 9/7/95
Violation: 10177(g)
Suspended for 30 days; stayed for 1 year on terms and conditions

Hon, Emily Ma Oi-Ling (REB, REO)
1015 E. Las Tunas Dr., San Gabriel
Effective: 11/28/95
Officer of: Integrated Funding Corporation
Violation: 2725, 2831, 10177(d)
Suspended for 30 days; stayed on condition

Integrated Funding Corp. (REC)
1015 E. Las Tunas Dr., San Gabriel
Effective: 11/28/95
Violation: 10130, 10177(d)
Suspended for 60 days; all but 30 days stayed for 2 years on terms and conditions

Kapko, Richard Michael (REB, REO)
1992 Balearic Dr., Costa Mesa
Effective: 9/20/95
Officer of: Mortgage Action Corporation
Violation: 10177(d)(h)
Suspended for 90 days; stayed for 2 years on terms and conditions

Lieberman, Morris (REB)
5464 E. Del Amo Blvd., Long Beach
Effective: 11/27/95
Violation: 2834, 10145, 10177(d)
Suspended for 90 days; stayed for 2 years on terms and conditions

Morissette, Timothy Emmett (REB, REO)
9 Goodyear, Ste. 200, Irvine
Effective: 10/13/95
Officer of: Real Estate Disposition Corp.
Violation: 10137, 10177(h)
Suspended for 60 days; stayed for 1 year on terms and conditions

Mortgage Action Corp. (REC)
2424 SE Bristol St., Ste. 210, Santa Ana
Effective: 9/20/95
Violation: 10177(d)(h)
Suspended for 90 days; all but 30 days stayed for 2 years on terms and conditions

Mulholland, Terrence Martin (RES)
4126 Ocana, Lakewood
Effective: 11/27/95
Violation: 10130, 10177(d)
Suspended for 60 days-stayed for 2 years on terms and conditions

Offshack, Wendy (REB, REO)
412 West Avenue P, Ste. D-60, Palmdale
Effective: 10/24/95
Officer of: Wendy Bird Enterprises
Violation: 10177(d)(g), 10240
Suspended for 60 days; stayed for 2 years on terms and conditions

Propp, Robert Raphael Samuel (REB, REO)
4929 Wilshire Blvd., 8th Floor, Los Angeles
Effective: 11/21/95
Violation: 2715, 2726, 2831, 10163, 10165, 10177(d)
Suspended for 90 days; stayed for 2 years on terms and conditions

Real Estate Disposition Corp. (REC)
9 Goodyear, Irvine
Effective: 10/13/95
Violation: 10137
Suspended for 60 days; stayed for 1 year on terms and conditions

Sunnymead Realty Incorporated (RREC)
24050 Sunnymead Blvd., Moreno Valley
Effective: 11/2/95
Violation: 2832, 10177(d)
Suspended for 60 days; stayed for 1 year on terms and conditions

Walters, Brent Alan (RES)
347 Lupine Way, Ventura
Effective: 9/19/95
Violation: 10177(d)
Suspended for 90 days; stayed for 1 year on terms and conditions

Wendy Bird Enterprises (REC)
18333 Dolan Way, #101, Santa Clartia
Effective: 10/24/95
Violation: 10177(d)(g), 10240
Suspended for 60 days; all but 30 days stayed for 2 years on terms and conditions

San Francisco Region

Fore, Phyllis Natalie (REB)
6601 Commerce Blvd., Rohnert Park
Effective: 9/27/95
Violation: 10176(a), 10177(g)
Suspended for 30 days; stayed for 1 year on conditions

continued on page 12



No Cost Loans?

No Such Thing...

Reprinted from the Spring 1994 issue
of the DRE Mortgage Loan Bulletin

A review of mortgage loan advertising will usually reveal ads claiming the availability of "NO COST", "NO FEE" loans. We all know, however, there is no such thing as a free lunch. Advertising claims by brokers of "no cost" or "no fee" loans are patently misleading and are in violation of Business and Professions Code Section 10235. Any broker making a claim of no cost loans in their advertising may be subject to disciplinary action or a Desist and Refrain order by the Department of Real Estate (DRE).

It appears the claim of "no cost" loans stems from lenders offering premium priced loan products which generate a rebate from the lender which is used to pay for some or all of the non-recurring closing costs. Although there may be no out of pocket expense to the borrower, this type of loan is far from free or "no cost" as implied in some advertising. In fact, these types of loans may be much more expensive for the borrower than if the closing costs were paid for out of pocket.

All real property secured loans have certain inherent costs to obtain, such as title insurance, escrow, appraisal, recording fees, etc. These services are paid for by the borrower in all loan transactions. In the cases where a broker arranges a premium priced loan and a lender rebate is used to pay for these services, the services are still performed and the costs incurred. The borrower pays the costs of the services via a higher interest rate than would be available if the borrower paid for the services out of pocket. In effect, the borrower finances the closing costs over the entire life of the loan. Depending on the interest rate differential between the "no cost" and the "out of pocket cost" loan options and the term of the loan, the "no cost" option may actually cost the borrower thousands of dollars more over the life of the loan.

Figure "A" demonstrates the potential cost of a "no cost" loan. This illustration assumes the borrower wants an 80% LTV, \$200,000, 30 year fixed rate loan, with closing costs (including title insurance, escrow fees, appraisal, credit reports fees etc.) of \$2,500 and approximate commission to the broker of 1.375 points. The interest rates and the rebate pricing figures were taken from an actual wholesale lender rate sheet.

The payment differential of \$83.73 caused by the higher interest rate of the "no cost" loan represents an extra \$30,142.80 in loan payments paid over the life of the loan.

Some brokers have argued that if a borrower's payment can be reduced by refinancing at "no cost" to the borrower, then it is a true no cost, no fee loan. However, as demonstrated in this example, the "no cost" loan is clearly more expensive to the borrower than if the borrower paid the \$5,250 in closing costs out of pocket. In addition, the standard closing costs associated with most real property secured loans are still incurred and in fact paid for by the borrower over the entire life of the loan. Indeed, there is no such thing as a no cost, no fee loan.

Of course there will be circumstances where choosing the premium priced loan product will be advantageous to the borrower or the borrower simply may not want to come out of pocket to pay any of the expenses. The point is to make sure to not mischaracterize the loan product in your advertising. Stating there are no out of pocket costs or that the closing costs are financed may be

appropriate characterizations of the loan product.

In addition, most of the ads claiming "no costs" fail to mention important restrictions and requirements for obtaining the loan. For example, because rebates are not usually large enough to cover the closing costs on loans less than \$100,000, failing to disclose this condition in the ad could be misleading and a violation of regulation 2848(7). Therefore, it is recommended that any loan limits that may apply to arranging this type of loan be set forth in the advertising.

The increased popularity of the premium priced loans has also caused problems for brokers who fail to disclose to the borrower the amount of the rebate or the amounts paid to the broker for their compensation. Pursuant to Business and Professions Code Sections 10240 and 10241, all the costs and expenses of making the loan which are to be paid by the borrower must be disclosed in writing on a form approved by the DRE. In addition, any broker failing to disclose to the borrower any and all compensation received for arranging the loan may be subject to disciplinary action pursuant to Business and Professions Code Section 10176(g). This means not only commissions must be disclosed but processing fees, "yield spread premiums", "service release fees", volume incentives, and any other fee received by the broker in connection with the transaction must also be disclosed.

The DRE has filed a number of accusations against mortgage brokers

No Cost Loans, cont. on page 12

Figure "A"

Interest Rate	Out-of-Pocket Closing Costs	Lender Rebate*	Mortgage Payment
7.25%	0	\$5,250.00	\$1,364.35
6.625%	\$5,250.00	0	<u>\$1,280.62</u>
Monthly Payment Difference			\$83.73

* Based on 2.625%



Real Estate Publications

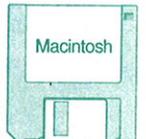
- To order one or more of DRE's publications, photocopy or remove this page from your *Bulletin*. Complete and submit all information requested.
- Prices are subject to change.
- Orders originating in California must include the sales tax. Requests and fees will be returned if the appropriate sales tax is not included.
- Orders received with incorrect amounts will be returned.
- Volume discounts are available. Contact DRE prior to ordering.
- Please **do not** send cash. **Make check or money order payable to:** Department of Real Estate.
- **Mail To:**
Department of Real Estate, Book Orders, P.O. Box 187006, Sacramento, CA 95818-7006

- Allow 4–6 weeks for delivery.
- DRE cannot accept returns or make refunds.
- Electronic Real Estate Law book system requirements:

Minimum requirements for Windows — 386 DX2/33Mhz IBM compatible personal computer; 4MB physical RAM; 10MB available hard disk space; Windows version 3.11 or later; 3 1/2 diskette drive, 1.44MB format.



Minimum requirements for Macintosh — 8MB physical RAM; Macintosh System 7; 10MB available hard disk space



Would you be interested in a CD ROM format in the future? YES NO

DRE	RE#	Title of Publication, Brochure, Report or Video	Cost	Quantity	Your Cost
	1	1989–90 Reference Book	\$15.00		
	2	1996 Real Estate Law Book	\$20.00		
	2A	1996 Real Estate Law Book (Windows version) <i>Refer to system requirements above.</i>	\$20.00		
	2B	1996 Real Estate Law Book (Macintosh version) <i>Refer to system requirements above.</i>	\$20.00		
		1996 Real Estate Law Book — Paper copy AND <input type="checkbox"/> Windows <input type="checkbox"/> Macintosh	\$35.00		
	4	Instructions to License Applicants (<i>brochure</i>)	<i>free</i>		
	6	Disclosures in Real Property Transactions (1993; <i>booklet</i>)	\$2.00		
	8	Operating Cost Manual for Homeowners' Association	\$10.00		
	14	Mortgage Financing for the Elderly (1990; <i>report</i>)	\$9.00		
	15	Fixed Rate/Adjustable Rate Mortgages: Availability and ... Preferences (1990; <i>report</i>)	\$9.00		
	16	Study of the Future Outlook of California Common Interest Developments (1991; <i>report</i>)	\$9.00		
	17	Feasibility of a State Sponsored Mortgage Insurance Program for Low and Moderate Income Home Buyers (1992; <i>report</i>)	\$9.00		
	20	Evaluating the Availability of Mortgage Credit in the Inner-Cities (1992)	\$9.00		
	21	Job Analysis and Examination Specifications Study (1993; <i>report</i>)	\$9.00		
	28	Supervision of the Real Estate Office (1987; <i>video</i>)	\$25.00		
	29	Trust Funds (1987; <i>video</i>)	\$25.00		
	31	An Assessment of Foreign Investment in California Real Estate (1991; <i>report</i>)	\$9.00		
	32	Compliance with the Real Estate Transfer Disclosure Law (1988; <i>video</i>)	\$25.00		
	33	Agency Disclosures in Residential Real Estate Transactions (1988; <i>video</i>)	\$25.00		
	35	Trust Deed Investments — What You Should Know (<i>brochure</i>) and	\$2.00		
	35A	Using the Services of a Mortgage Broker (<i>brochure</i>) (35 & 35A are a set)	<i>per set</i>		
	37	Reserve Study Guidelines for Homeowner Association Budgets (1990; <i>report</i>)	\$9.00		
	39	Common Interest Development Brochure (<i>brochure</i>)	<i>free</i>		
	44	Role of Licensees in Assisting First-Time Buyers: What Can Be Done? (1991; <i>report</i>)	\$9.00		
	45	The Need for Specialized Licensure and Education of Non-Residential Real Estate Licensees (1991; <i>report</i>)	\$9.00		
	46	The Impacts of Tax Reform on Real Estate Investment in California (1991; <i>report</i>)	\$9.00		
	47	Understanding the Affordability Issue: California Real Estate (1992; <i>report</i>)	\$9.00		

SHIPPING INFORMATION

SHIPPING NAME			SUBTOTAL	
SHIPPING ADDRESS			+ SALES TAX	
CITY	STATE	ZIP CODE	TOTAL ENCLOSED	\$

**Rajput, Shaukat Hayat (REB, REO)**

54 S. Main St., Milpitas
 Effective: 11/28/95
 Officer of: Paragon Mortgage, Inc.

Violation: 2830, 2831, 2832.1, 2834, 10145, 10176(e), 10177(d)(g), 10232(f), 10240
 Suspended for 60 days; all but 15 days stayed for 2 years on terms and conditions

Sullivan, Stephania Burgess (RES)

1699 Van Ness Ave.,
 San Francisco

Effective: 10/31/95
 Violation: 10177(g)

Suspended for 60 days; stayed for 1 year on condition

Tran, Tuyetvan T. (REB)

429 E. Taylor St., San Jose
 Effective: 9/12/95

Violation: 10137

Suspended for 60 days; stayed for 1 year on terms and conditions

INDEFINITE SUSPENSIONS (under Recovery Acct. provisions)

Allred, James Vincent (REB)

9460 Santa Clara Rd., Atascadero
 Effective: 9/26/95

Auyong, Eric, Y H. (REB)

1111 N. Main St., Ste. C-1,
 Salinas
 Effective: 9/20/95

No Cost Loans, continued from page 10

who have failed to disclose to the borrower amounts received in the form of rebates. One recent case involved a broker who routinely disclosed only a one point commission on the borrower's disclosure statement while receiving undisclosed rebates from the lender. In another transaction, this broker failed to inform the borrower of a drop in the interest rates and by delivering the originally quoted rate, the broker received a four-point rebate in addition to the one point that was actually disclosed to the borrower. This broker collected nearly \$7,000 in undisclosed fees for arranging an "A" paper \$175,000 loan! The broker is now facing the very real possibility of losing his license.

If you are unsure whether your advertising violates the Real Estate Law, you can submit your advertising for review by using an advertising submittal form (RE 884) available at any DRE office. The Department has also created new borrower disclosure statements (RE 882 and RE 883) which are available at any DRE office. These statements should be used to disclose all of the costs and expenses in obtaining a loan, including any rebates expected to be received by the broker. 

Barrios, Michael Steven (REB)

3850 Palo Drive, Bonita
 Effective: 9/6/95

Barrios, Michael Steven (REB)

3850 Palo Drive, Bonita
 Effective: 9/26/95

C H Prestige Properties Inc. (REC)

2466 West 3rd St., Santa Rosa
 Effective: 9/1/95

Castillo, Luis Hector (REB)

10403 Tristan Ave., Downey
 Effective: 11/17/95

DeBruin, John Joseph (REB)

3606 Burnwood Pl., #11,
 San Diego
 Effective: 9/6/95

Erlandson, James M. (REB)

3 Lagoon Dr., Ste. 100,
 Redwood City
 Effective: 9/20/95

Hill, James Lawrence Jr. (REB)

3222A Fruitvale Ave., Oakland
 Effective: 10/26/95

Kuo, Chang Chih (RES)

851 E. Valley Bl., San Gabriel
 Effective: 9/6/95

Messina, James Frank (REB)

843 S. State College Blvd.,
 Anaheim
 Effective: 9/20/95

Murphy, Yvonne J. (REB)

8927 Bower Lane, Lakeside
 Effective: 9/20/95

Naiman, Gary F. (REB)

8030 La Mesa Blvd., #179,
 La Mesa
 Effective: 9/20/95 & 10/17/95

Pardinez, James Ascension G. (RES)

1111 N. Main St., Ste. C-1,
 Salinas
 Effective: 9/20/95

Seamans, Winston Gerald (RES)

19520 Bainter Way, Los Gatos
 Effective: 9/20/95

Spruiell, Daniel Curtis (REB)

4847 Hopyard Rd., Ste. 3319,
 Pleasanton
 Effective: 11/9/95

Swartz, John Thomas (RES)

P.O. Box 240, Round Mountain
 Effective: 11/9/95

Uyematsu, Robert Susumu (REB)

P.O. Box 1229, Watsonville
 Effective: 11/9/95

Vergonzini, Gonzalo R. (RES)

7261 Peter Pan Ave., San Diego
 Effective: 11/29/95

Official Publication

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

SECOND
 CLASS

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