



State Legislature Approves Expenditure of License Fees for Education and Research

The "Budget Act of 1958" (A.B. No. 1), appropriates \$322,978 for the use and support of the Real Estate Education and Research Program for the 1958-59 Fiscal Year, which begins July 1, 1958.

Budget Approved by Legislature for Real Estate Education and Research 1958-59

For Administration by the Real Estate Commissioner:

Table with 2 columns: Item and Amount. Includes Administration and Coordination (\$35,628), Study of Educational Needs and Preparation of Educational Aids (30,000), State and Junior Colleges (33,000), and Total (\$104,628).

For University of California:

Table with 2 columns: Item and Amount. Includes Research (\$129,200), Fellowships (20,000), Education (44,150), University of California Libraries (25,000), and Total (\$218,350).

Total Budgeted \$322,978

As of April 30, 1958, The Real Estate Education and Research Fund amounted to \$873,533.24.

One-fourth of all license fees collected by the Real Estate Commissioner has been paid into this fund, which is available for appropriation

by the Legislature for the advancement of education and research in real estate at the University of California, state and junior colleges.

Commissioner's Committee and the Industry

The Real Estate Commissioner has appointed an Education and Research Committee, comprised of representatives of the industry, the University of California, and state and junior col-

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COMMISSIONER'S NOTE

My sincere thanks to all who answered my request for advice regarding the Education and Research Program. It was highly encouraging to receive letters from so many licensees showing keen interest in this matter which is so vital to the welfare of the industry and the general public.

I have called a meeting of my Real Estate Education and Research Committee for June 9, 1958. Expected to attend are representatives from our industry, the University of California, and state and junior colleges.

We will discuss the development of a Real Estate Education and Research Program.

Signature of F. W. Griesinger

Real Estate Commissioner

Drop in Number of Licenses Registered; First Halt in Continuing Rise Since 1943

The number of licenses in effect has declined from the all-time cumulative high reached last year. As of March 1, 1958, the Real Estate Commissioner had 113,834 licenses* of all types outstanding.

This drop in total licenses is the first since the mid-World War II period. In 1944-45, 38,500 licenses were issued. Each year thereafter the number rose, finally reaching a cumulative peak of approximately 130,000; the rise each year, percentagewise, exceeding the rate of California's tremendous population growth.

Two major changes in the license law—a strengthened examination program and four-year licenses with increased fees—probably are the fac-

* Includes real estate, business opportunity, and mineral, oil and gas broker and salesman licenses—original and renewable; also limited real estate salesman licenses.

tors mainly responsible for the drop in number of licenses. The new examination program was authorized and developed to assure a higher degree of knowledge and proficiency on the part of those aspiring to act as brokers and salesmen and so protect the general public from the dangers of dealing with incompetent and uninformed agents.

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DIVISION OF REAL ESTATE

STATE OF CALIFORNIA
GOODWIN J. KNIGHT, Governor

F. W. GRIESINGER
Real Estate Commissioner

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SAN DIEGO, 613 Orpheum Theatre Building
John Lazur, Deputy-in-Charge
SAN BERNARDINO (part time), 633 D Street
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**MEMO TO LICENSE
APPLICANTS**

Don't wait until examination time to have your fingerprints taken! If possible, file your license application at one of the division offices and have your prints taken then.

This allows earlier processing of your fingerprints and, in turn, if all goes well, your license will be issued two or three weeks earlier than if you waited until examination time to be fingerprinted.

DISCIPLINARY ACTION—FEBRUARY, 1958, AND MARCH, 1958

NOTE: Any person whose license has been suspended or revoked, or whose license application has been denied, has the right to seek a court review. This must usually be done within 30 days after the effective date of the commissioner's decision.

Therefore a list of actions is not published in this *Bulletin* until the period allowed for court appeal has expired; or, if an appeal is taken, until a final determination of the court action. Names of persons to whom licenses are denied upon application are not published.

LICENSES REVOKED DURING FEBRUARY, 1958, AND MARCH, 1958

Name	Address	Effective date and term	Violation
Barry, Milo.....	14653 Roscoe Blvd., P.O. Box 3064, Van Nuys	2/ 5/58	Sec. 10177 (b) & (f)
Valle, Julius Gilbert.....	517 40th St., Oakland.....	2/10/58	Secs. 10176 (e), (i); 10177 (d), (f) & (g)
Williams, Joseph Oscar.....	1333 84th Ave., Oakland.....	2/10/58	Secs. 10176 (b), (c), (i) & 10177 (f)
Sheidler, Ford Henry.....	336 Thomas Ave., Vallejo.....	2/17/58	Sec. 10177 (b) & (f)
Everett, Elmer E.....	10262 Victoria Ave., Whittier...	2/21/58	Secs. 10176 (f), (i); 10176.1 & 10177 (f)
Hansen, Merle Alven.....	124 N. Bright Ave., Whittier...	2/21/58	Secs. 10176 (f), (i) & 10177 (f)
Harr, Lucy.....	1540 W. Manchester Ave., Los Angeles	2/21/58 (Granted right to restricted license)	Secs. 10177 (d) & (f)
Norman, Bert Thomas.....	1540 W. Manchester Ave., Los Angeles	2/21/58	Secs. 10137, 10160, 10164, 10177 (d), (f); 10283, 10287 & 10302 (c)
Pearl, Bertram Edward.....	2520 San Bruno Ave., San Francisco	2/27/58 (Granted right to restricted real estate salesman license on terms and conditions)	Secs. 10176 (e), (i); 10177 (f); Secs. 2830 & 2832 of R. E. Comm. Rules and Regulations
Shield, Harold Joseph.....	P.O. Box 2, Newbury Park.....	2/28/58 (Granted right to restricted license)	Sec. 10177 (d) & (f)
Nelson, David Augustus.....	812 N. Curson, Los Angeles.....	3/ 7/58	Sec. 10177 (b)
DeMichael, Peter Anthony.....	3844 Foothill Blvd., Pasadena...	3/ 7/58 (Stayed for two years)	Sec. 10177 (b) & (f)
Del Secco, George Milton.....	3435 Mission St., San Francisco.	3/17/58	Secs. 10176 (e), (i); 10177 (d), (f) & Secs. 2830, 2831 & 2832 of R. E. Comm. Rules and Regulations
Hawkins, Henry Taylor, Jr.....	11019 Avalon Blvd., Los Angeles	3/20/58	Secs. 10176 (i); 10177 (d) & (f)
O'Neill, Edward Clayton.....	1018 Taraval St., San Francisco.	3/26/58	Secs. 10176 (e), (i); 10177 (d), (f); Secs. 2830 & 2832 of R. E. Comm. Rules and Regulations
Spangler, Casper Schott.....	12041 Wilshire Blvd., Los Angeles	3/27/58	Sec. 10177 (b) & (f)
Schurtz, Charles Edward.....	3031 N. Ninth St., Fresno.....	3/28/58	Sec. 10177 (b) & (f)
Ervine, James Skinner.....	General Delivery, Oceanside....	3/31/58	Secs. 10176 (a), (b), (i); 10177 (f); 10283; 10285; 10287; 10302 (d) & (e)

LICENSES SUSPENDED DURING FEBRUARY, 1958, AND MARCH, 1958

Name	Address	Effective date and term	Violation
Aftergood, Harry Herman.....	1209 E. 14th St., Los Angeles...	2/ 6/58 30 days (Stayed for 1 year)	Secs. 10176 (i); 10177 (d) & (f)
Pearl, Sanford Lyzwa.....	4922 Third St., San Francisco...	2/26/58 120 days (Terms & conditions)	Secs. 10176 (g), (i) & 10177 (f)
Sheldon, Marvin Leopold.....	5125 Geary Blvd., San Francisco..	2/27/58 45 days	Secs. 10176 (e), (i); 10177 (f); Secs. 2830 & 2832 of R. E. Comm. Rules and Regulations
Johnson, Quentin Foch.....	107705 Falda Ave., Torrance....	3/ 7/58 Indefinitely	Sec. 10155
Ness, Kenneth.....	10404 Avalon Blvd., Los Angeles	3/12/58 90 days	Secs. 10176 (a), (i) & 10177 (f)
Toth, Lester Morrison.....	10404 Avalon Blvd., Los Angeles	3/12/58 90 days	Secs. 10176 (a), (i) & 10177 (f)
Ehlert, William L.....	1510 Fourth St., Santa Rosa....	3/17/58 30 days	Secs. 10176 (a), (b), (i) & 10177 (f)
Elliott, Clarence Raymond.....	14471 Big Basin Way, P.O. Box 401, Saratoga	3/17/58 15 days	Secs. 10177 (d), (f); 11020; Secs. 2794 & 2795 of R. E. Comm. Rules and Regulations
Page, William Robert.....	119 Randall St., San Francisco...	3/17/58 90 days	Sec. 10177 (f)

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U. S. Senate Investigating Committee Examines Unlicensed Advance Fee Operations

The United States Senate Permanent Subcommittee on Investigations has indicated it will take a good, hard look on a national scale at the activities of unlicensed "advance fee" operators who are alleged to be "taking" the American public for millions of dollars by selling dubious advertising and listing services, represented as sure-fire means of disposing of real property and businesses.

Senator John L. McClellan heads the committee and its acting chief counsel is Donald F. O'Donnell. The committee has asked California's Real Estate Commissioner, license law administrators and other law enforcement officers throughout the Nation to furnish information on which to base its investigations. California's Assistant Commissioner Donald McClure is scheduled to testify and present evidence before the committee.

Continued Drive Against Operators

Unremitting investigation of activities of "advance fee" operators has produced encouraging developments at other local, state and national levels.

The Los Angeles office of the Division of Real Estate reports it expects to present approximately 50 out of 199 complaint cases to the Attorney General's Office for prosecution.

On a broader level, on February 24th, a preliminary injunction was issued, restraining one of the largest nationwide operators in this field from attempting to do business in California and eight other western states.

On the national scene, the Federal Trade Commission completed hearings in Los Angeles involving 17 advance fee operators. Other hearings are to be held in various sections of the Country before a final decision by the commission is entered.

Legislative Action

In June of this year, at Santa Barbara, an Assembly interim subcommittee will hear testimony of witnesses produced by investigations into the "advance fee" operations. The subcommittee will consider proposals to amend the advance fee sections of the California Real Estate Law.

Applying for License With Fictitious Name— Here's the Procedure

You are a licensed broker and want to do business under a fictitious name. Perfectly all right as far as the Real Estate Commissioner is concerned, provided you comply with the Civil Code requirements and furnish proper evidence of compliance.

Here are the steps:

(1) File the required certificate with your county clerk (Sec. 2466, Civ. C.).

(2) Publish the certificate once a week for four successive weeks in the local newspaper (Sec. 2466, Civ. C.).

(3) Within 30 days of completion of publication, file with your county clerk an affidavit showing publication.

(4) Obtain and forward to the commissioner, with your request for fictitious business name, certified * copies of both the entry of your registration with the county clerk and the affidavit of publication (Secs. 10159.5 and 10282.5, Real Estate Law). Fee for dba license, \$1.

*** Note: Certified means the statement will include the words "I hereby certify . . ." and is signed by a properly identified official.**

LICENSES SUSPENDED DURING FEBRUARY, 1958, AND MARCH, 1958—Continued

(Cont. from Page 346)

Name	Address	Effective date and term	Violation
Oster, Melvin Joseph dba Best Buy Realty Investment Co. dba LaSalle Investment Co. Real Estate Broker	1441 W. Century Blvd., Los Angeles	3/20/58 90 days (Stayed for 1 year)	Secs. 10176 (g), (h), (i); 10177 (d) & (f)
Mullen, Ransford Murray Real Estate Salesman	15929 A. Western Ave., Gardena	3/20/58 90 days (Last 80 days stayed for 1 year)	Secs. 10176 (g), (h), (i) & 10177 (f)
Hunter, Douglas Frederick dba Supreme Real Estate and Investment Co. Real Estate Broker	1500 Russell St., Berkeley	3/31/58 30 days	Secs. 10176 (a), (b), (i); 10176.1; 10177 (d), (f), (g), (j); Sec. 2843 of R. E. Comm. Rules and Regulations; Secs. 3081.1; 3081.2; 3081.3 (a), (b), (c); 3081.91; 3081.92; 3081.921 of Real Property Loan Brokerage Law & Usury Law
Jacobs, Herbert S. Real Estate Broker Business Opportunity Broker	508 16th St., Oakland	3/31/58 30 days	Secs. 10177 (f), (j); 10302 (e), (j); Secs. 3081.3 (c); 3081.91, 3081.92 & 3081.921 of Real Property Loan Brokerage Law & Usury Law
Sands, Gertie M. Real Estate Broker	4336 Fourth Ave., Sacramento	3/31/58 6 months	Secs. 10176 (a), (i) & 10177 (f)

Nevada Requirement For Out-of-State Brokers

Attempting to cut down the number of out-of-state licensees who try to operate "outside the law" in their state, the Nevada Real Estate Commission adopted a new regulation which requires registration of out-of-state brokers co-operating with Nevada brokers.

This means that California brokers will now have to contact the Nevada Real Estate Commission office if they wish to work with a Nevada broker. However, registering as an out-of-state broker does not entitle free movement as a broker in the state. A license is

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Fails to Give Public Report— License Suspended!

A broker's license has been suspended for 15 days because of his failure to give a copy of the Commissioner's Public Report on a subdivision to a purchaser before the purchaser entered into a binding contract to buy a lot in the tract.

The public report on a subdivision is important to the prospective purchaser and, in the judgment of the hearing officer, any broker engaging in tract sales should know the law and the regulations pertaining to it. Section 2795 of the Commissioner's Regulations stipulates that a copy of the Commissioner's Public Report be handed to the prospective purchaser of a parcel in a new subdivision and that he be given an opportunity to read it before the contract of sale is signed. Furthermore, evidence of compliance must be available in the form of a receipt from the purchaser.

Ignorance of Law is No Excuse

Although the broker in this case was previously engaged mainly in the resale of homes, his unfamiliarity with the requirements of the subdivision sections of the law and the Commissioner's Regulations did not excuse him from giving the purchaser the written information specified by the law.

A recommended procedure for licensees going into subdivision sales is to consult a deputy commissioner or refer to the subdivision sections of the Division's Reference Book for guidance.

Nevada Requirement

(Cont. from Page 347, Col. 3)

not granted, but by registering you can work in co-operation with a specified licensed Nevada broker.

To register, contact the Nevada Real Estate Commission, Carson City, Nevada, either in person or by mail and request registration forms. The Nevada commission, receiving the completed forms, contacts the Nevada broker for verification of the co-operative agreement.

(SAMPLE FORM)

JOHN DOE REAL ESTATE CO.
SACRAMENTO, CALIFORNIA

MORTGAGE LOAN BROKER'S STATEMENT

Description and address of property involved _____

Statement of all liens against property as disclosed by borrower:

_____ \$ _____
 _____ \$ _____
 _____ \$ _____

1. Description of loans to be secured:

Principal sum of the note \$ _____ Rate of interest per annum _____ %
 Estimated amount of interest, if scheduled payments are made per contract, is \$ _____
 Term of note _____ Number of installments _____
 Amount of each installment which includes interest and principal \$ _____
 Approximate balance due at maturity \$ _____
 Terms of prepayment privilege, if any _____

2. Costs, expenses, charges and funds to lien holders and creditors:

(a) Maximum costs and expenses estimated by broker:

1. Any premium or other charges for insurance, other than fire insurance \$ _____
 2. Appraisal fees \$ _____
 3. Escrow fees \$ _____
 4. Notary and recording fees \$ _____
 5. Credit investigation fees \$ _____

Give below any other costs and expenses

6. _____ \$ _____
 7. _____ \$ _____
 8. _____ \$ _____

Total costs and expenses (1 to 8 inclusive) \$ _____

(b) Total charges, other than above, including bonuses, brokerage or commissions for negotiating, procuring, arranging or servicing loan to be paid to broker \$ _____

(c) Borrower's estimate of amount of loan funds to be paid to prior lien holders or borrower's creditors.

Names and addresses of persons to be so paid, with amounts:

_____ \$ _____
 _____ \$ _____
 _____ \$ _____
 _____ \$ _____

Total funds to lien holders and creditors \$ _____

TOTAL COST, EXPENSES, CHARGES AND FUNDS TO LIEN HOLDERS AND CREDITORS \$ _____

3. Recapitulation:

Principal sum of the note \$ _____
 Less: Costs, expenses, charges and funds to lien holders and creditors \$ _____

4. Balance to be delivered to borrower \$ _____
 (Based upon borrower's representations as to liens and debts)

(See reverse on opposite page)

REPORT ON MORTGAGE LOAN BROKER LAW

How This Law Applies to All Brokers in Their Mortgage Loan Activities

In 1955, because of complaints of hidden charges and exorbitant commissions exacted by some brokers from desperate borrowers on their equities in real property, the Legislature passed what has become known as the Real Property Loan Brokerage Law. Amended in 1957, the law also applies to many brokers whose loan business is only incidental to their general real estate activity.

The "mortgage loan broker" law is different in a number of respects from the other statutes regulating real estate brokers. For instance, it requires that a specific written form be used in

dealing with clients, and it sets limits to the maximum commissions and charges which may be made.

For the most part, the mortgage loan broker law applies to the acts of a broker only when he is paid by the borrower for getting a loan. It applies when such a loan is secured by a first trust deed (or mortgage) or any trust deed (or mortgage) junior thereto, provided that the broker is being paid by the borrower. The law also applies, moreover, to lenders or to the loan itself in some respects.

When a broker charges a borrower a commission for getting a loan, he must first furnish the borrower with a statement in writing on a form approved by the Real Estate Commissioner. This statement sets forth the terms of the loan, the charges to be made, and other pertinent information. The object, of course, is to make sure the borrower knows how much money he will actually get.

The basic approved form of mortgage loan broker statement is printed on this and the opposite page. Single copies of the form may be obtained from any office of the Real Estate

Division. If the basic form is modified, it must first be submitted to the commissioner for approval prior to use.

Commission Maximums

The limits to the amounts of commission which can be charged under the law depend upon whether the loan is a first trust deed or a second or junior loan. These limits are as follows:

First trust deeds:

5 percent for a loan of less than three years.

10 percent for a loan of three years or more.

Second trust deeds:

5 percent for a loan of less than two years.

10 percent for a loan of two years, but less than three years.

15 percent for a loan of three years or more.

Other Charges

The charges which can be made for a loan subject to the act cannot exceed 4 percent, with a maximum of \$250. The broker may set his minimum for charges at \$120 but, in any event, these charges cannot exceed actual or customary charges.

A requirement of the law bearing directly on the loan itself is that an installment loan of less than three years cannot have a balloon payment; the installments must be substantially equal. This requirement does not apply, however, to purchase money mortgages, which are exempt from it as the result of a 1957 amendment to the law.

Exceptions to the Law

There are a number of exceptions to the law. It does not apply to first trust deeds over \$10,000 or to seconds over \$5,000. Among others, it does not apply to FHA loans, bank loans, and savings and loan association loans.

The sections of the Civil Code of the State of California which contain the "mortgage loan broker" law are 3081.1 to 3081.93. Division offices can furnish booklets which contain the entire text of the Real Estate Law, the "mortgage loan broker" law and the commissioner's regulations implementing them at a cost of 52 cents, including tax.

ATTACK ON LAW FAILS; CONSTITUTIONALITY IS UPHELD

The Los Angeles Superior Court on February 28, 1958, ruled that the Real Property Loan Brokerage Law and all provisions thereto are constitutional.

The pertinent sections of the Civil Code were challenged through the court by one of the more active Los Angeles mortgage loan brokerage firms.

The superior court found that the provisions of the Mortgage Loan Brokerage Law were appropriate exercise of the police power and fully within constitutional limitations. Judgment was entered for the Real Estate Commissioner who will continue to enforce the statutes.

(Reverse of Mortgage Loan Form)

Signed at
Street Address City State

Signed on
Date

The undersigned broker or authorized representative hereby states that the broker is not the lender, and that the above described loan is being made in compliance with Chapter 8, Title 14, Part 4, Division 3 of the Civil Code of the State of California.

.....
Broker License No.
.....
(or) Authorized Representative License No. Business Address

(Note to Borrower: Do not sign this statement in blank. Civil Code 3081.1 requires that the blank portions in items 1, 2a, and 2b be completely filled out; also that the person negotiating the loan fills in his license number, business address and signs this statement before you sign it.)

The borrower hereby acknowledges receipt of a copy of this statement.

.....
Borrower

.....
Borrower

From Deputy to Chief Deputy in Eight Years

A Division of Real Estate Success Story

Thousands of young men who started out as trainees have lived their own success stories, climbing the steps of administrative responsibility as their knowledge and competence increased. A promotional stairway of this kind within the State Division of Real Estate has been ascended by one of its top administrators, M. R. Griffin. Only a little over eight years ago, Griffin, who today holds the responsible post of Chief Deputy-in-Charge of the Southern California Regulatory Area, was just starting out as a deputy for the Division of Real Estate.

Career with Division

After his appointment as a deputy commissioner in 1949, Griffin became administrative assistant in 1950; supervising deputy in charge of the Los Angeles office in 1952; and earned his present top position as chief deputy in 1957. In each instance, he rated promotion by obtaining the highest grade in the competitive civil service examination for the position.

As an administrative officer, Chief Deputy Griffin advises the commissioner and, under administrative direction, plans, organizes and directs the work of the Southern Regulatory



M. R. GRIFFIN
Chief Deputy

Area, including its district offices in Los Angeles and San Diego.

Education and Wartime Service

A resident of the Los Angeles area since 1925, Griffin's educational background includes studies in the Los Angeles City College, Occidental College and Loyola School of Law.

During World War II he served with the Navy for 4½ years, in Australia, New Guinea and Panama. At the age of 24, Griffin became a Lieutenant Commander in the Navy. After the war, he entered the real estate business in the southwest area of Los Angeles and in 1949, began his work with the Division of Real Estate.

Member of Executive Committee

As a member of the executive committee, Griffin meets monthly with the other members, two of whom have been presented to *Bulletin* readers in recent issues. The executive committee formulates proposals for policies on the many phases of the division's activities.

Bogus License Mill Broken Up in Florida

Through its official publication, the Florida Real Estate Commission reports an alleged "bogus license mill," which dealt in selling phony real estate licenses, was broken up by nine commission investigators and the state's attorney.

The promoters were specifically charged with giving a fraudulent broker license to a Tampa, Florida, woman for \$325 after she failed to pass the state examination given by the Florida Real Estate Commission. One promoter was arrested August 30th in Tampa and charged with larceny.

A statewide dragnet was thrown out for another promoter wanted on grand larceny charges as the man who allegedly peddled the bogus licenses in the Sarasota, Florida, area.

State authorities claimed the two promoters worked together to forward their scheme. It was alleged that the cost of obtaining one of the bogus licenses ranged from \$100 to \$1,000.

WOMAN BROKER WANTS BRANCH OFFICE ON MOON

PAULINE RIGGS HAINES of Downey has written the Division of Real Estate:—"Enclosed please find \$1. * * * I wish to be the first to apply for a branch office on the moon!

"My children insist this will come in my time. It is hard to believe, but I want to be ready."

Real Estate Commissioner F. W. Griesinger told the Governor's Council at its latest monthly meeting: "If she complies with the law by furnishing an address and posting the license on the premises, then I'm going to have a problem deciding which deputy to send on inspection trips."

Pending annexation of all or part of the moon's surface to the State of California and the furnishing by Mrs. Haines of a readily identifiable address, her application for branch office will be kept on file under "Moonbeams."

CALIFORNIA'S POPULATION GROWTH

It is estimated that more than 1,500 new residents are added to California's population every day through migration and natural increase. The average daily gains are: 800 in the Los Angeles metropolitan area; 280 in the San Francisco Bay region; 215 in San Diego and the southeastern part of the State; 165 in the central valleys; and 80 in the remainder of the State.

While California was growing from 10,586,223 on April 1, 1950, to an estimated 14,160,000 on July 1, 1957, 9 out of every 10 new residents settled in one of the State's metropolitan areas. The nonmetropolitan areas, while tending to show lesser gains, were growing at 1½ times the estimated rate for the Nation's total population.

Subdividing in a Changing California

The map on this page shows the geographical pattern of subdivision activity in California during 1957 when 2,371 subdivisions were filed comprising 50,280 acres. The number of subdivisions filed with the Division of Real Estate for which final reports were prepared is shown for each county. It is important to note that the size of subdivisions will vary greatly and these variations are not

reflected on the map. For example: One subdivision containing 58 lots was developed in Alpine County, whereas Mono County also had one subdivision filed, but that one had only five lots.

Subdivision activity since World War II has occurred primarily in broad bands encircling the older, built-up portions of the cities of the San Francisco Bay area and of Los Angeles. Subdivisions have spread outward in every direction except where mountains, the ocean and previous de-

velopment have modified the pattern. As time has passed, the growth has moved further and further out and has spilled over increasingly into adjacent counties—especially Santa Clara, Contra Costa, Alameda and San Mateo in the north, and San Bernardino, Riverside, and Orange Counties in the south.

The most extensive subdivision and building activity still centers in the suburban portions of San Francisco

New Water Questionnaire When Subdivision Supplied By Private Company

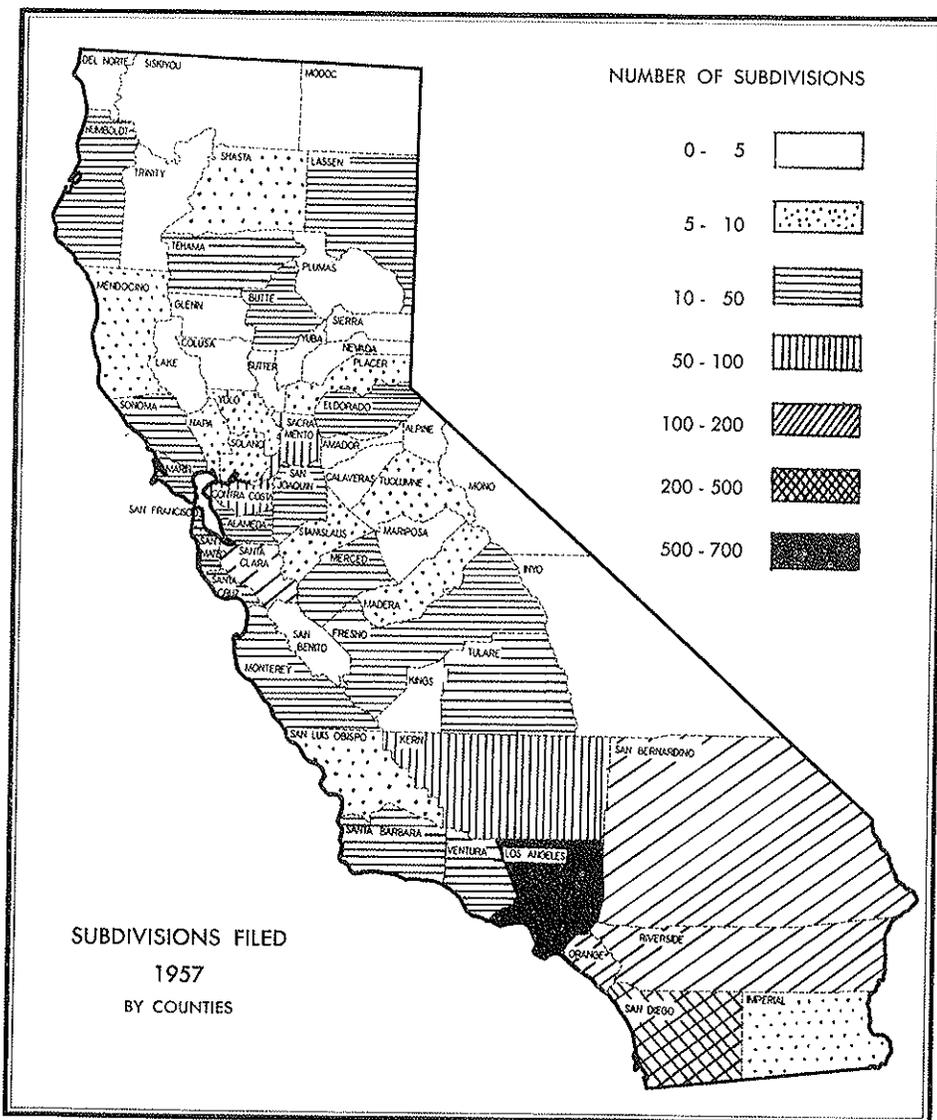
“How do you propose to furnish an adequate domestic water supply?” is one of the important questions confronting the subdivider, particularly when he is pioneering in a new area. Water companies, other than municipal, county district, and mutual services, are regulated by the State of California Public Utilities Commission and experience has shown considerable variation in the operations and adequacy of the services offered by these companies.

From now on when the developer is relying upon a private water company as the supplier for his subdivision, the company will be expected to complete a supplemental water questionnaire devised by the PUC, which will enable that agency to evaluate the water supply outlook. The supplemental water questionnaire will be furnished to the subdivider by the Division of Real Estate and, when completed, must be turned in by the subdivider with his filing or as quickly as possible thereafter. By attending to this detail early in his development process, the subdivider will not be subjected to a delay in the issuance of the Commissioner's Public Report on his tract.

Occasionally in the past, public utility water companies operating under the jurisdiction of the PUC have agreed to furnish water to a subdivision only to find that their facilities or capacities were not adequate because of rapid population growth or depletion of underground supplies.

Subdivision Questionnaire

A new subdivision questionnaire has been devised in which the questions relative to the subject of water have been changed. Other changes have also been made which should make it easier and simpler for the subdivider to complete the questionnaire before filing it with the commissioner.



Bay and Los Angeles areas, with San Diego, Sacramento and Fresno Counties representing other high spots in subdivision development.

Sec. 34.66, P. L. & R.
 U. S. POSTAGE
PAID
 Permit No. 157
 SACRAMENTO, CALIF.

LATEST LICENSING STATISTICS

(Cont. from Page 345, Col. 3)

accounts for some part of the decline in licensees.

Effect of Increased Renewal Fees

The effect of increased license renewal fees (beginning for most licensees July 1, 1957) will not be fully known for some time, as the great majority of licensees paid less than the four-year fee as of last July 1st. Fees were prorated at that time to cover periods ranging from 6 to 48 months, and the fee paid by the individual licensee was determined by the alphabetical position of his name. Approximately 7,000 licensees who were eligible to renew prior to July 1, 1957, did not apply. This dropout was much smaller than had been generally antici-

pated. The makeup of the group not renewing was as follows:

	Percent
Real estate brokers.....	20
Real estate salesmen.....	30
Business opportunity brokers....	33
Business opportunity salesmen..	17

This survey further indicated that inactive licensees comprised 53 percent of the total number who did not renew.

Experience with Staggered License Expirations

Under the staggered license expiration system adopted last July to provide an even flow of license renewal work throughout the year, those licensees who held short-term licenses—6, 7, 8, 9 and 10 months—have since

the first of the year been faced with the prospect of renewing their licenses for a full four-year term.

As these licensees renewed for four years, a dropout rate of 15 to 20 percent was noted. For example: as of January 31, 1958, there were 2,595 licensees who had held a license for seven months and were then up for renewal for four years. Only 437 failed to renew, which is a dropout rate of 16.8 percent for this group. However, it should be remembered that licensees who fail to renew on time have a year's grace during which they can reinstate their licenses, for a four-year term by paying a fee 25 percent higher than the regular charge. Experience so far indicates that a substantial number do renew at the higher fee during the grace period.

REAL ESTATE, BUSINESS OPPORTUNITY, AND MINERAL, OIL, AND GAS LICENSES ISSUED AND IN EFFECT MARCH 1, 1958

Type of License	Corporations		Partnerships		Salesmen		Brokers		Limited		Branches*	Total	
	In-active	Ac-tive	In-active	Ac-tive	In-active	Ac-tive	In-active	Ac-tive	In-active	Ac-tive		In-active	Ac-tive
Real estate originals.....	1	59	35	646	8,275	102	1,570	39	925	5,282	788	10,864	
Real estate renewals.....	13	1,810	29	1,720	14,730	30,191	8,583	37,340	23,355	71,061			
Business opportunity originals.....		9	4	20	158	6	130			443	26	301	
Business opportunity renewals.....	5	188	5	192	535	781	642	4,979			1,187	6,140	
Mineral, oil, and gas originals.....							1	5		9	1	5	
Mineral, oil, and gas renewals.....		4					17	85			17	89	
Total.....	19	2,070	34	1,951	15,931	39,405	9,351	44,109	39	925	5,734	25,374	88,459
GRAND TOTAL.....	2,089		1,985		55,336		53,460		964		113,834		

* Original and renewal branches combined.

Education and Research

(Cont. from Page 345, Col. 2)

leges to assist in carrying out the mandates of the Legislature regarding this program.

The commissioner will also continue to seek the advice of licensees generally in order that he may be able to keep his advisory committee informed concerning the needs of the entire industry. In this way, the schools involved will be kept apprised of the wishes of the licensees with regard to education and research.