



EDMUND G. BROWN, Governor

July-August 1959

W. A. SAVAGE, Commissioner

1959 Real Estate Legislation

CHANGES AFFECT LICENSEES; SPECIAL LOAN BROKER DESIGNATION

Should YOU Register As A Real Property Loan Broker?

You must be registered as a real property loan broker if, for compensation, you propose to negotiate loans secured by real property, other than loans made in connection with the sale or exchange of real estate.

Even though mortgage loans do not constitute an important part of your business, you may want to register just to be able to handle the occasional loan transaction which may come your way.

To cite one common example, a person needing funds proposes to offer as security for his note a second or third deed of trust on his property. As broker you negotiate a loan, a private lender providing the funds. An agreed amount is to be paid you for your services as negotiator. After September 18th (effective date of new legislation), you must be registered as a real property loan broker as well as licensed as a real estate broker to collect such compensation.

No fee is required for registration as a mortgage loan broker, although the legislation does empower the commissioner to set one at any time. For details as to registration, see below.

Rather far-reaching changes in the law regulating the activities of mort-

(Cont. on page 403, col. 1)

Real estate brokers must register with the Real Estate Commissioner as real property loan brokers if they are to receive or claim compensation for negotiating loans secured by real property, according to provisions of Senate Bill No. 1397 which goes into effect September 18, 1959. Registration as a real property loan broker is not required of a real estate broker if all loans negotiated by him are in connection with the sale or exchange of real property or of notes made or taken in connection with such transaction. To learn how this change might affect you and your loan business, refer to Column 1, this page.

Legislature Adjourns

The 1959 State Legislature adjourned in June after enacting a number of other important changes to the California Real Estate Law and Real Property Loan Brokerage Law, which were signed into law by Governor Edmund G. Brown. New legislation affects in some degree real estate licensing, subdivision regulation, mortgage loan brokers, "advance fee" advertising and loan solicitation, rental agents, and "land locators" for federal and state lands. In addition, there are miscellaneous new or amended statutes relating

All bills approved by the Governor, unless adopted with an urgency clause, become effective September 18, 1959.

A. B. 1179 (reported on page 404 in column 3) contains an urgency clause and became effective July 17, 1959.

MEMO—IMPORTANT

To: Each Broker
From: Commissioner Savage



Please give some thought to this!

Like many brokers, you may rarely, if ever, negotiate a loan which would require you to be registered as a real property loan broker in order to collect compensation for your services. But stop to consider. If you make only one such loan in the course of a month, six months or a year, you are entitled to just compensation for your services, and to collect that compensation you must be registered.

Don't put off registration to the last moment when it looks like you might negotiate a loan.

The requirements for registration are outlined in the first column on this page. With no fee or special examination called for, it may be to your advantage to fill out and mail the application form available as page 407 of this Bulletin.

to loan procedures, notices of sale, homesteads, antidiscrimination in publicly assisted housing, definition of civil rights, subdivisions, community redevelopment, urban renewal and other matters of importance to the real estate industry.

(Cont. on page 402, col. 1)

REAL ESTATE BULLETIN

Official Publication of the
California Division of Real Estate

July-August 1959

Published Bimonthly in Sacramento by the
DIVISION OF REAL ESTATE
STATE OF CALIFORNIA
EDMUND G. BROWN, Governor

W. A. SAVAGE
Real Estate Commissioner

STATE REAL ESTATE COMMISSION

MAURICE G. READ THOMAS R. ROONEY
Berkeley Los Angeles
FRANK WHITELOCK WILLIAM E. REMPFER
San Bernardino Lodi
WILLARD L. JOHNSON EDWARD M. LOFTUS
San Francisco Los Angeles

ADMINISTRATORS

DONALD McGLURE, Assistant Commissioner
1015 L Street, Sacramento
GAYLORD K. NYE, Assistant Commissioner,
Northern California
1182 Market Street, San Francisco
M. R. GRIFFIN, Assistant Commissioner,
Southern California
541 South Spring Street, Los Angeles

PRINCIPAL OFFICE

1015 L Street, Sacramento
HAROLD H. WELLS, License Supervising Deputy
WALTER J. MILLER, Chief, Education and
Publications
JOHN E. HEMPEL, Examination Supervising
Deputy
EDWIN E. MAGOVERN, Editor

Northern District Offices

SAN FRANCISCO, Rm. 204, 1182 Market Street
Saxon A. Lewis, Supervising Deputy
SACRAMENTO, 1015 L Street
James M. Winter, Deputy-in-Charge (Sacra-
mento District)
FRESNO, 308 Rowell Building
John S. McVay, Deputy-in-Charge
OAKLAND, Rm. 320, 1815 Telegraph Avenue
Marvin H. Weigman, Deputy-in-Charge
BAKERSFIELD (part time), 331 18th Street

Southern District Offices

LOS ANGELES (Main Office, Southern Area),
Rm. 310, Spring Arcade Building, 541 S.
Spring Street
Gerald E. Harrington, Supervising Deputy
SAN DIEGO, 615 Orpheum Theatre Building
John Lazar, Deputy-in-Charge
SAN BERNARDINO (part time), 1798 D Street
LONG BEACH (part time), 3747 Long Beach Blvd.

DISCIPLINARY ACTION—APRIL, 1959, AND MAY, 1959

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 April, 1959, and May, 1959

Name	Address	Effective date	Violation
Duran, Richard John Real Estate Salesman	5441 E. Beverly Blvd., Los Angeles	4/ 2/59 (Granted right to restricted license on conditions)	Secs. 10177(b) & (f)
Gallagher, John Joseph Real Estate Broker	674 Huencme Rd., Oxnard	4/ 2/59 (Granted right to restricted license)	Secs. 10176(i) & 10177(f)
Leicht, William Edward Real Estate Salesman	16912 Sherman Way, Van Nuys	4/ 2/59 (terms and conditions)	Secs. 10176(a), (d), (i) & 10177(f)
English Mortgage and Investment Company, Inc. Clementene Norman English—Sec.-Treas. Real Estate Corporation and Officer	1867 W. Jefferson Blvd., Los Angeles	4/ 7/59	Secs. 10137; 10176(i); 10176.1; 10177(f) & (j)
English, Clementene Norman Real Estate Broker	1867 W. Jefferson Blvd., Los Angeles	4/ 7/59	Secs. 10137; 10176(i); 10176.1; 10177(f) & (j)
Perez, Manuel Feans Real Estate Salesman	402 Mavis Dr., Los Angeles	4/ 7/59	Secs. 10177(b) & (f)
Shaw, Carl Norman Real Estate Broker	850 S. Bascom, San Jose	4/ 7/59	Secs. 10176(e), (i); 10177(b), (f) & Sec. 2830 of R.E. Comm. Rules and Regulations
Preiss, Oliver Henry Real Estate Broker	767 Irving Dr., Rt. 1, Thousand Oaks	4/ 8/59	Secs. 10176(i) & 10177(f)
Balch, Edmund Irwin, Jr. Real Estate Salesman	Rm 1, Plaza Bldg., P.O. Box 932, Palos Verdes Estates	4/ 8/59	Sec. 10177(b)
Taves, Edward Wilbur Real Estate Salesman	379 College, Fresno	4/10/59	Secs. 10177(b) & (f)
Souza, Bernard Joaquin Real Estate Salesman	1601 S. Atlantic Blvd., Alhambra	4/15/59	Secs. 10176(a), (g), (i) & 10177(f)
Ernst, Walter Stephens dba Harmony Realty Real Estate Broker	2001 E. Firestone, P.O. Box 3194, Terminal Annex, Los Angeles	4/16/59	Sec. 10177.6
Seavers, Henry Delmont Real Estate Salesman	8971 Veril Way, Hayward	4/20/59 (Granted right to restricted license)	Secs. 10177(b) & (f)
Abbondante, Anthony Joseph Real Estate Broker	1417 Lofler Dr., Los Angeles	4/21/59	Sec. 10177(b)
Hay, Rosemary Lang Real Estate Broker	540 University Ave., Palo Alto	4/21/59 (Granted right to restricted real estate salesman license on conditions)	Secs. 10176(e), (j); 10177(d), (f); Secs. 2830, 2831 & 2832 of R.E. Comm. Rules and Regulations
Loughead, Richard J. Real Estate Broker	3244 Mayfair Blvd., Fresno	4/21/59	Secs. 10177(b) & (f)
Pacific Real Estate Exchange of Fresno Richard J. Loughead—President Rancho Realty & Development Co., Inc.	3244 Mayfair Blvd., Fresno	4/21/59	Secs. 10177(b) & (f)
Richard J. Loughead—President Real Estate Corporations and Officer			
Shayne, Irving dba Service Mortgage Co. Real Estate Broker Business Opportunity Broker	8754 Wilshire Blvd., Beverly Hills	4/28/59	Secs. 10177(b), (f); 10302(b) & (c)
Dever, Ernest N. Realty Co. Joseph Wm. Ellis Manning—President Real Estate Corporation and Officer	3425 Geary Blvd., San Francisco	5/ 1/59	Secs. 10176(a), (e), (g), (i); 10137; 10177(d) & (f)
Pausch, Fred Terry Real Estate Broker	29 Palms Hwy, P.O. Box 325, Yucca Valley	5/ 5/59 (Granted right to restricted license)	Secs. 10176(a), (i); 10177(d) & (f)
Dunn, Everett Baird, Jr. Real Estate Salesman	10901 S. Paramount Blvd., Downey	5/ 6/59 (Granted right to restricted license on conditions)	Secs. 10177(b) & (f)
Hughes, David Austin Real Estate Salesman	Box 1703, Vandenberg Air Force Base, Santa Maria	5/ 6/59	Secs. 10177(b) & (f)
Snider, Nathan Henry Westchester Park Realty Inc.—President Real Estate Broker Inactive Real Estate Salesman	1990 Naglee Ave. and 5283 Taft Dr., San Jose	5/ 6/59 (Granted right to restricted licenses)	Secs. 10177(b) & (f)
Sweeton, Eugene Lee Real Estate Salesman	363 Wisconsin Ave., Long Beach	5/ 6/59	Sec. 10177.6
Fields, Bettye Louwesa Real Estate Salesman	1118 Lincoln Ave., Pasadena	5/ 7/59	Secs. 10177(b) & (f)
Rodgers, Clinton Lee Real Estate Salesman	9364 Westminster Ave., Westminster	5/ 7/59	Secs. 10177(b)
Silon, Meyer Real Estate Salesman	1437 S. Reservoir, Pomona	5/ 7/59	Secs. 10177(b) & (f)
Byrd, Elmer Kent Real Estate Salesman	4450 W. Washington Blvd., Los Angeles	5/12/59	Secs. 10177(b) & (f)
Day, Francis Warren Real Estate Broker	932 University Dr., Menlo Park	5/12/59	Secs. 10176(e), (j); 10177(d), (f); Secs. 2830, 2831 & 2832 of R.E. Comm. Rules and Regulations

(Cont. on next page)

Legislative Report

(Cont. from page 401, col. 3)

The Real Estate Commissioner, acting upon the advice of the Real Estate Commission, had asked for legislation broadening the definition of activities for which licensing is required to include specifically "trust deed exchanges," and "advance fee loan solicitors," and supported a bill defining "land locators." These and other measures enacted are treated elsewhere in this *Bulletin*.

A box score on page 406 shows the status of bills described in the preceding two issues of the *Bulletin*.

REGISTRATION AS REAL PROPERTY LOAN BROKER

(Cont. from page 401, col. 1)

gage loan brokers have been enacted to go into effect September 18th. The Real Property Loan Brokerage Law, which is a part of the Civil Code (Chapter 8 of Title 14 of Part 4 of Division 3) has been related to the Real Estate Law by cross-references as to license requirements and by placing certain responsibilities on the Real Estate Commissioner. Now a new article entitled "Real Property Loan Brokers" has been added to the provisions of the existing Real Property Loan Brokerage Law as contained in the Civil Code. Specifically the new article (beginning at Sec. 3081.01, Civ. Code) requires:

(1) That a real estate broker must register with the commissioner as a real property loan broker if he proposes to negotiate loans secured by real property and collect compensation for his services. Exception: If all loans are negotiated in the ordinary course of sale or exchange of real estate.

Note: A person cannot register as a real property loan broker unless he is already a licensed real estate broker.

(2) That the applicant for registration file with the commissioner a bond issued by an admitted corporate surety insurer, minimum amount of bond \$25,000 for a corporation and \$5,000 for an individual or copartner.

Note: Exempt from the bond requirement are those applicants for real property loan broker registration who will not "actually or constructively in any way keep, have charge of, or otherwise handle any of the funds involved in the loan" (Sec. 3081.05, Civ. Code). For example: **Bond is not required if funds are placed and kept in a neutral escrow depository.**

(3) That principals or agents who engage in the business of buying, selling, or exchanging promissory notes secured by loans or deeds of trust on real property must be registered as real property loan brokers. (Such principals or agents often conduct

License Holders of Long Tenure

We pay tribute to the following for holding real estate licenses for such a long time:

J. Homer Hough
5621 Arch Crest Drive, Los Angeles
N. Jay V. V. Green
608 Monterey Avenue, Monrovia
G. A. Waterman
2111 W. Glenoaks Blvd., Glendale
H. G. Dear
20 S. First Street, Alhambra
John A. Livingston
955 Lincoln Way, Auburn
John T. Lyon
3028 E. Florence Ave., Huntington Park

The above obtained their licenses during the first license law year (1917), and are still currently licensed by the division.

This, of course, is an incomplete list; and we plan to continue the names in future issues.

what are known as "trust deed exchanges" or "10 percent" operations.)

Registration As Loan Broker

Any licensed real estate broker may file an application for registration as a real property loan broker. An official application form appears as page 407 of this *Bulletin*. Detached, this form may be sent to the Division of Real Estate, 1015 L Street, Sacramento. This should be done without delay if it is urgent for the applicant to be registered by September 18th.

The bond,* if required, should accompany the application for registration as should the applicant's real estate broker license and all branch office licenses. Brokers can keep their pocket cards as evidence of licensure.

At Sacramento an insignia will be affixed to the license indicating to the public that the licensee is registered as a real property loan broker as well as a real estate broker. The license will then be returned to the broker for proper display in his office.

Sections of the Civil Code which are pertinent to this real property loan broker registration are reproduced on page 408 of this *Bulletin*.

* Sample copies of an approved bond form will be available at all division offices about September 1st.

DISCIPLINARY ACTION—Continued

Name	Address	Effective date	Violation
Brown, James Valen. dba James Brown & Co. Real Estate Broker	2980 61st St., Sacramento.	5/20/59	Secs. 10176(e), (i); 10177(d), (f); Secs. 2830, 2831 & 2832 of R.E. Comm. Rules and Regulations
Melford, John Forbes. Real Estate Broker	14912 Burbank Blvd., Van Nuys.	5/20/59	Secs. 10177(b) & (f)
Swoboda, Virgil J. Real Estate Salesman	2310 Fifth Ave., San Diego.	5/20/59	Secs. 10177(b) & (f)
Braz, Lloyd John. Inactive Real Estate Salesman	300 W. Cleveland, Las Vegas, Nevada	5/21/59	Secs. 10177(b) & (f)
Reed, Richard Henry. dba R. H. Reed Company Real Estate Broker Real Estate Salesman	1601 Redondo Ave., Long Beach	5/28/59	Sec. 10177(f)

Licenses Suspended During April, 1959, and May, 1959

Name	Address	Effective date and term	Violation
Stewart, Lynn Bertram. Real Estate Salesman	147 S. Auburn St., Grass Valley.	4/ 1/59 30 days	Secs. 10176(a), (i) & 10177(f)
Wintersteen, John Joseph. Real Estate Broker Business Opportunity Broker	1112 Irving St., San Francisco	4/10/59 30 days	Secs. 10176(a), (i); 10177(f) & 10302(e)
Maciel, Richard Arnold. dba Dick Maciel Realty Real Estate Broker	900 MacArthur Blvd., San Leandro	4/13/59 180 days	Secs. 10141; 10142; 10176(d), (g), (i); 10177 (d) & (f)
Perry, Marshall Vernon. dba Marshall Perry & Co. Real Estate Broker	387 Jackson St., Hayward.	4/27/59 180 days	Secs. 10176(a), (b), (i) & 10177 (f)
Realty Co. of America, Inc. Edna Lee Gayle Remier—Pres.—Treas. Real Estate Corporation and Officer	7386 Beverly Blvd., Los Angeles.	4/28/59 10 days (Stayed permanently)	Sec. 10177.5
Allen, Grant Wilbur. dba Grant Allen Realty Co. Real Estate Broker Business Opportunity Broker	1121 N. Main, P.O. Box 631, Porterville	5/ 6/59 30 days	Secs. 10177(d), (f), (g); 10302(e) & Sec. 2850 of R.E. Comm. Rules & Regulations
Schmidt, Comeraux Gordon. Real Estate Broker	2070 Mountain Blvd., Oakland	5/13/59 30 days	Secs. 10177(f) & (g)
Solie, Harold Gordon. dba Panorama-Pacific Realty Co. Real Estate Broker	8305 Woodman Ave., Van Nuys	5/28/59 90 days (Stayed for 1 year on conditions)	Secs. 10176(e), (i); 10176.1; 10177(d) & (f)

Further Protection Given Against Advance Fee Racket

That California citizens will be given stronger protection against advance fee operators who prey on small businessmen and property owners is assured under the terms of approved Assembly Bill No. 1047.

At the State Capitol, Assistant Commissioner Donald McClure testified before both Assembly and Senate committees that unlicensed advance fee operators are giving reputable real estate brokers a "black eye" in the view of the public. False representations as to value of property or services offered have lured unsuspecting businessmen and property owners to sign contracts which produce few, if any results—yet exact exorbitant advance fees, McClure said.

Legislative Action

The Legislature took cognizance of the problem and in a somewhat unusual action incorporated the following language into the bill which it passed:

"That as a result of the aforesaid practices thousands of owners, both within and outside California, have been deceived and defrauded by said promoters, and have lost millions of dollars . . . To protect the aforesaid owners of property, as well as the general public, and to insure the general welfare, it is necessary to subject the advance fee business to regulation . . . by requiring that they be licensed as real estate or business opportunity brokers and salesmen, . . ."

New Amendments

The latest amendments to the present law will make more effective the 1955 enacted statutes requiring licensure and control of advance fee operators. **The present law is specifically amended to bring advance fee "loan solicitors" within the definition of a licensee. This method of unlicensed operation is reportedly spreading throughout the Country and efforts on a nationwide scale are being pushed to control the abuses inherent in it.**

CRIMINAL COMPLAINT

Several advance fee "loan solicitors" have been charged before a Fresno justice court with a felony—criminal conspiracy. The complaint alleged the accused wilfully conspired to violate Section 10139 of the Business and Professions Code (acting as a real estate broker or salesman without a license).

The case arose out of an advance of \$1,500 paid to unlicensed individuals for purported assistance in obtaining a loan.

Mortgage Loan Legislation

The "Real Property Loan Brokerage Law," which was due to expire in 1959, will remain in effect as a result of recent legislative action. The law was amended to require registration as a real property loan broker, as described on the first page of this *Bulletin*, but the major portion of the present act remains intact.

Another important change relates to the Mortgage Loan Broker's Statement. The legal description of the property, closing date of sale and name of lender can now be filled in after the borrower signs the statement. But to the other items of information which must be listed in the statement before the borrower signs it, these are added: (1) any liens against the property as disclosed by the borrower and the amounts thereof; and (2) estimated balance of loan funds after deductions, i.e., **the amount to be delivered to the borrower.**

Maximum Charges

Another amendment relates to maximum charges for negotiating a first mortgage or deed of trust. In the case of a first deed of trust which is to be subordinated to another lien securing a loan for building or construction purposes, the total amount of charges may be the same as for loans other than a first mortgage or deed of trust. Also, in the case of collateral loans negotiated on trust deeds or mortgages, the total charges may be the same as provided for the original security.

Legislature Provides Controls For Land Locators

In enacting legislation providing controls over the activities of persons known as "land locators," the California Legislature approved this statement: "Various persons now engaged in the business of assisting others to file applications for lands owned by the State or Federal Government appear to be misrepresenting and grossly overcharging for services which they perform and to be misrepresenting the availability of such lands. To eliminate these practices, it is imperative that this act (AB 1179) take effect immediately."

The act amends the legal definitions of real estate broker and real estate salesman to include: "A person who . . . assists or offers to assist another or others in filing an application for the purchase or lease of, or in locating or entering upon lands owned by the State or Federal Government."

Another provision of the bill requires the land locator to file with the commissioner a quarterly report giving the names and addresses of all persons he and his salesmen have assisted in locating land and the amount of compensation received from them.

The commissioner is adopting regulations setting forth what minimum information must be contained in the language of the contracts or agreements used by land locators offering assistance to persons interested in filing on state or federal lands. See next *Bulletin* for details.

YES! YES! YES!

We know .05% is 1/20 of 1% and not 1/2 of 1% as we had it in our last *Bulletin*. But we thank our many careful readers and kindly critics for bringing this omission of a zero to our attention!

1959 FALL PROGRAM

Real Estate Courses Offered Statewide By U. C. Extension Division

Licenseses with inquiring minds and a desire to learn more about their business will plan to attend the university extension fall classes in the Real Estate Certificate Program. Brokers and salesmen can take advantage of a wide range of refresher or specialized training courses offered in many cities throughout the State.

Most classes start in early September; however, some begin at later dates—consult the schedule below for the first meeting of the class for each course in your area.

The certificate courses in real estate offer an opportunity to broaden your knowledge of the real estate fields in which you practice and at the same time introduce you to new opportunities which depend upon learning essentials of such specialized fields as appraising, commercial properties and property management. University extension will be glad to give further information. You can visit, write or phone its offices—University Extension, 2441 Bancroft Way, Berkeley 4, California, or 813 South Hill Street, Los Angeles 14, California.

Schedule of Classes

Courses included in the certificate program in real estate are listed below with starting dates:

NORTHERN AREA

Berkeley

- Real Estate Practice—Tues., Sept. 29.
- Trends and Factors Influencing Real Estate 886 ABC—Wed., Sept. 9.
- Principles of Real Estate Appraisal 860-ABC—Mon., Sept. 14.
- Property Management—Tues., Sept. 15.
- Real Estate Exchanges and Taxation 822-ABC—Thurs., Sept. 17.
- Estimating for Light Commercial Construction 835AB—Mon., Sept. 14.

Burlingame

- Legal Aspects of Real Estate 824ABC—Wed., Sept. 16.

Fresno

- Fresno Realty Board Auditorium
- Real Estate Practice—Tues., Sept. 29.
- Real Estate Exchanges and Taxation 822-ABC—Wed., Sept. 30.

Hayward

- Trends and Factors Influencing Real Estate 886ABC—Mon., Sept. 21.

Principles of Real Estate Appraisal 860-ABC—Wed., Sept. 9.

Los Altos—Los Altos High School
Legal Aspects of Real Estate 824ABC—Mon., Sept. 21.

Marysville—Yuba College
Real Estate Practice—Wed., Sept. 16.

Merced—Merced Union High School
Real Estate Exchanges and Taxation 822-ABC—Tues., Sept. 15.

Modesto—Modesto Junior College
Trends and Factors Influencing Real Estate 886ABC—Mon., Sept. 28.
Advanced Real Estate Appraisal (Rural) X 489—Mon., Sept. 28.

Monterey—Monterey Peninsula College
Legal Aspects of Real Estate 824ABC—Tues., Sept. 29.

Napa—Napa Junior College
Principles of Real Estate Appraisal 860-ABC—Wed., Oct. 7.

Oakland

- Legal Aspects of Real Estate 824ABC—Wed., Sept. 16.
- Real Estate Practice—Wed., Sept. 16.
- Real Estate Finance—Mon., Sept. 14.
- Essentials of Residential Design and Structure 857AB—Mon., Sept. 14.
- Commercial and Investment Properties 880AB—Wed., Sept. 16.

Palo Alto—Wilbur Junior High School
Principles of Real Estate Appraisal 860-ABC—Tues., Sept. 15.

Redding—Shasta Junior College
Principles of Real Estate Appraisal 860-ABC—Wed., Sept. 23.

Redwood City—Sequoia Union High School
Trends and Factors Influencing Real Estate 886ABC—Wed., Sept. 30.
Estimating for Residential Construction 815AB—Tues., Sept. 15.
City and Regional Planning X 153AB—Wed., Sept. 16.

Richmond

- Urban Renewal 800AB—Tues., Sept. 29.

Sacramento

- 1020 N Street
- Legal Aspects of Real Estate 824ABC—Mon., Sept. 21.
- Real Estate Finance—Tues., Sept. 22.

Rules For Rental Agents Prescribed by New Law

A contract or receipt must be given to every prospective tenant who pays a fee to a real estate licensee for rental information under terms of approved Assembly Bill No. 1051. The contract or receipt must provide for the return to the prospective tenant of that part of the fee which is over and above an allowable 10 dollar service charge, if a rental is not obtained.

However, Section 10143 (B. & P. Code), added to the Real Estate Law and effective September 18th, **clearly states the prospective tenant is entitled to a refund of the entire fee if the rental information given him is not current or accurate in regard to the type of rental desired.**

The Commissioner is authorized to adopt regulations which will implement the new statute. The regulations may spell out just what minimum information regarding his services the licensee must include in his deposit receipt or contract.

Salinas—Hartnell College
Real Estate Practice—Thurs., Sept. 24.

San Francisco—55 Laguna Street
Trends and Factors Influencing Real Estate 886ABC—Tues., Sept. 22.
Real Estate Practice—Mon., Sept. 14.
Legal Aspects of Real Estate 824ABC—Mon., Sept. 14.
Real Estate Finance—Tues., Sept. 8.
Principles of Real Estate Appraisal 860-ABC—Tues., Sept. 8.
Essentials of Residential Design and Structure 857AB—Wed., Sept. 9.
Property Management—Thurs., Sept. 10.
Advanced Real Estate Appraisal 887ABC—Mon., Sept. 14.
Advanced Real Estate Appraisal (Rural) X 489—Mon., Sept. 14.
Real Estate Exchanges and Taxation 822-ABC—Wed., Sept. 9.
Estimating for Residential Construction 815AB—Wed., Sept. 16.
City and Regional Planning X 153AB—Tues., Sept. 22.

San Jose—Abraham Lincoln High School
Real Estate Practice—Thurs., Sept. 17.
City and Regional Planning.

San Rafael—San Rafael High School
Trends and Factors Influencing Real Estate 886ABC—Wed., Sept. 23.

Santa Cruz—Santa Cruz High School
Legal Aspects of Real Estate 824ABC—Thurs., Sept. 17.

(Cont. on page 406, col. 1)

Certificate Courses

(Cont. from page 405, col. 3)

Stockton—Stockton College

Trends and Factors Influencing Real Estate 886ABC—Thurs., Sept. 24.
Principles of Real Estate Appraisal 860-ABC—Tues., Sept. 8.

Vallejo—Vallejo Senior High School

Real Estate Practice—Mon., Sept. 28.

Walnut Creek—Las Lomas High School

Essentials of Residential Design and Structure 857AB—Wed., Sept. 23.

SOUTHERN AREA

Bakersfield—Bakersfield College

Essentials of Residential Design and Structure X 493AB—Tues., Sept. 22.

Buena Park—Buena Park High School

Principles of Real Estate Appraisal X 481-AB—Mon., Sept. 23.

Burbank—John Burroughs High School

Principles of Real Estate Appraisal X 481-ABC—Mon., Sept. 21.

Laguna Beach—Laguna Beach High School

Legal Aspects of Real Estate X 483AB—Tues., Sept. 22.

Principles of Real Estate Appraisal X 481-ABC—Wed., Sept. 23.

Los Angeles—Hillstreet Bldg.

Trends and Factors Influencing Real Estate X 480ABC—Thurs., Sept. 24.

Real Estate Practice—Wed., Sept. 23.

Legal Aspects of Real Estate X 483AB—Tues., Sept. 22.

Real Estate Finance—Mon., Sept. 21.

Principles of Real Estate Appraisal X 481-ABC—Wed., Sept. 23.

Advanced Real Estate Appraisal X 490-ABC—Wed., Sept. 23.

Real Estate Appraisal for Investment Purposes X 481.5AB

Property Management—Thurs., Sept. 24.

Commercial and Investment Properties X 492AB—Wed., Sept. 30.

Essentials of Residential Design and Structure X 493AB—Mon., Sept. 21.

Real Estate Exchanges and Taxation X 494AB—Wed., Sept. 23.

Palm Springs—Palm Springs High School

Principles of Real Estate Appraisal X 481-ABC—Mon., Sept. 28.

Riverside—University of California Campus

Real Estate Practice—Wed., Sept. 16.

Real Estate Finance—Mon., Sept. 14.

Principles of Real Estate Appraisal X 481-ABC—Tues., Sept. 15.

Commercial and Investment Properties X 492AB—Thurs., Sept. 17.

Real Estate Exchanges and Taxation X 494AB—Tues., Sept. 15.

Rosemead—Rosemead High School

Real Estate Finance—Tues., Sept. 22.

Principles of Real Estate Appraisal X 481-ABC—Thurs., Sept. 24.

Real Estate Exchanges and Taxation X 494AB—Wed., Sept. 23.

LEGISLATIVE BOX SCORE

(Refer to March-June Bulletins for bill descriptions)

Assembly Bill No. 122..... no action
(see Senate Bill No. 1397)

Assembly Bill No. 278..... approved
(see this page)

Assembly Bill No. 444..... no action

Assembly Bill No. 1046..... no action
(see Senate Bill No. 1397)

Assembly Bill No. 1047..... approved
(see page 404)

Assembly Bill No. 1051..... approved

Assembly Bill No. 1052..... approved
(see May Bulletin)

Assembly Bill No. 1053..... no action

Assembly Bill No. 1054..... approved

Assembly Bill No. 1055..... approved
(see May Bulletin)

Assembly Bill No. 1056..... approved

Assembly Bill No. 1179..... approved
(see page 404)

Assembly Bill No. 1188..... approved
as amended

Assembly Bill No. 1696..... no action

Assembly Bill No. 1855..... no action
(see Senate Bill No. 1397)

Assembly Bill No. 2494..... no action

Assembly Bill No. 2583..... no action

Assembly Bill No. 2612..... no action

Assembly Bill No. 2799..... no action

Senate Bill No. 1397..... approved
(see page 401)

Senate Bill No. 1456..... no action

San Diego—Roosevelt Junior High School

Trends and Factors Influencing Real Estate X 480ABC—Mon., Sept. 21.

Legal Aspects of Real Estate X 483AB—Mon., Sept. 21.

Real Estate Finance—Thurs., Sept. 24.

Principles of Real Estate Appraisal X 481-ABC—Mon. Sept. 21.

Advanced Real Estate Appraisal X 490-ABC—Tues., Sept. 23.

Commercial and Investment Properties X 492AB—Wed., Sept. 23.

Real Estate Exchanges and Taxation X 494AB—Tues., Sept. 22.

Santa Ana—Santa Ana College

Legal Aspects of Real Estate X 483AB—Thurs., Sept. 24.

Property Management—Tues., Sept. 22.

Essentials of Residential Design and Structure X 493AB—Wed., Sept. 23.

Santa Barbara—Real Estate Board Bldg.

Commercial and Investment Properties X 492ABC—Fri., Sept. 25.

Torrance—North High School

Trends and Factors—Thurs., Sept. 24.

Real Estate Practice—Tues., Sept. 22.

Vau Nuys—Robert Fulton Junior High School

Legal Aspects of Real Estate X 483AB—Wed., Sept. 23.

Real Estate Finance—Tues., Sept. 22.

Commercial and Investment Properties X 492AB—Thurs., Sept. 24.

Late License Renewal— Penalty Fee Increased; Expiration Period Extended

Changes in both the license right expiration period and penalty fee for late license renewal go into effect under terms of Assembly Bill No. 278. After September 18th, the holder of a renewal license who fails to renew it prior to its expiration may renew at any time within the two years following the expiration date, upon proper application and payment of a late renewal fee in an amount equal to 1½ times the regular renewal fee. **In effect, this extends the grace period for late renewal from one year to two years and increases the late renewal fee from the present 1¼ to 1½ times the regular renewal fee.**

Another provision of the legislation will allow the commissioner to issue a renewal license after expiration of grace time if he finds the delay in application for renewal is due "to mistake, inadvertence, surprise or excusable neglect." In these cases, the applicable late renewal fee must be charged. Comparable changes to the business opportunity and mineral, oil and gas license procedure were also enacted.

Real Estate Exchanges and Taxation X 494AB—Mon., Sept. 21.

Ventura—Ventura Senior High School
Design and Structure—Tues., Sept. 22.

Westchester—Airport Junior High School

Real Estate Finance—Thurs., Sept. 24.

Essentials of Residential Design and Structure X 493AB—Wed., Sept. 23.

Westwood—U. C. L. A.

Trends and Factors Influencing Real Estate X 480ABC—Tues., Sept. 22.

Real Estate Practice—Thurs., Sept. 24.

Legal Aspects of Real Estate X 483AB—Mon., Sept. 21.

Real Estate Finance—Wed., Sept. 23.

Brokerage Administration and Procedures X 486AB—Wed., Sept. 23.

Principles of Real Estate Appraisal X 481-ABC—Tues., Sept. 22.

Advanced Real Estate Appraisal X 490-ABC—Tues., Sept. 22.

Property Management—Tues., Sept. 22.

Essentials of Residential Design and Structure X 493AB—Wed., Sept. 23.

Real Estate Exchanges and Taxation X 494AB—Thurs., Sept. 24.

Whittier—Whittier High School

Real Estate Finance—Tues., Sept. 22.

Principles of Real Estate Appraisal X 481-ABC—Mon., Sept. 21.

STATE OF CALIFORNIA
 DIVISION OF REAL ESTATE
 SACRAMENTO

**APPLICATION FOR REGISTRATION AS A
 REAL PROPERTY LOAN BROKER**

FOR OFFICE USE ONLY

To the REAL ESTATE COMMISSIONER:

The undersigned hereby applies for registration as a Real Property Loan Broker in accordance with Section 3081.04, Article 1, Chapter 8, Title 14, Part 4, Division 3 of the Civil Code.

NAME _____
(Print) First Middle Last

Fictitious Business Name _____
 (As shown on your license)

Business Address _____
Number Street City

Currently licensed as { Individual Real Estate Broker
 Co-partnership
 Corporation Identification Number _____

If corporation or co-partnership, list all licensed members or officers below:

 (If more space is required, attach list)

List all branch offices:

 (If more space is required, attach list)

FOR OFFICE USE ONLY

CHECK ONE OF THE FOLLOWING BLOCKS

I herewith submit a bond in the amount of \$ _____ issued by _____
Name of Bonding Company
 _____ as required under Section 3081.05 of the Civil Code.

OR

I hereby certify that I will not actually or constructively in any way keep, have charge of, or otherwise handle any of the funds involved in the loan.
 (Bond is not required if funds are immediately placed and kept in a neutral escrow depository)

NOTE: RETURN YOUR BROKER AND ALL BRANCH OFFICE LICENSES AFFECTED

[[SIGNED]] _____ Date _____ 19 _____

Title _____
(If officer of corporation)

THIS SPACE FOR OFFICE USE ONLY

IDENTIFICATION No.	LOCATION CODE			TYPE	STAT	EFFECTIVE DATE			EXPIRATION DATE			CHECKED BY
	DIST.	COUNTY	CITY			MO.	DAY	YEAR	MO.	DAY	YEAR	

Audit No. _____ Recorded _____
 and Date _____ DBA Chaindex _____

Checked _____

CUT ALONG THIS LINE

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

Article 1 (commencing at Section 3081.01) is added to Chapter 8, Title 14, Part 4, Division 3 of the Civil Code, to read:

Article 1. Real Property Loan Brokers

3081.01. It is unlawful for any real estate broker to act as a real property loan broker within this State without first registering as a real property loan broker with the Division of Real Estate.

Any violation of this section shall be grounds for disciplinary action by the Real Estate Commissioner pursuant to Section 10176 of the Business and Professions Code.

3081.02. A real property loan broker within the meaning of this article is a real estate broker, other than a lender, who for compensation payable by a borrower or lender, either directly or indirectly, or from the proceeds of a loan, negotiates or solicits a prospective borrower or lender, for the purpose of negotiating a loan to be secured by real property; or who in this State as principal or agent engages in the business of buying, selling or exchanging promissory notes, secured by mortgages or deeds of trust on real property, or makes collateral agreements for buying and selling or for the performance of services in connection with said mortgages and deeds of trust, and who engages in such activities as a main or principal business or vocation or maintains a regular place of business where the public may sell, purchase or exchange such promissory notes.

3081.03. The definition of real property loan broker as set forth in Section 3081.02 does not include the negotiation of loan or loans by a licensed real estate broker in connection with the sale or exchange by him of real property, or the sale or exchange by him of any note or notes made or taken in connection with such transaction.

3081.04. Any licensed real estate broker may file an application for registration as a

How to Register As a Real Property Loan Broker

1. Fill out and mail application form — available at division offices or as page 407 of this *Bulletin*.
2. File bond, if required. Sample form available at division offices about September 1st.
3. Forward real estate broker license and all branch office licenses with application. Licenses will be stamped with insignia and returned to broker.

real property loan broker. The application shall be made in writing to the Real Estate Commissioner, and shall be accompanied by such registration fee as may be established by the commissioner.

3081.05. The applicant shall if a corporation file and maintain with the commissioner a fidelity bond issued by an admitted corporate surety insurer, in a minimum amount of twenty-five thousand dollars (\$25,000) and at all times in a principal amount that is equal to the total aggregate amount of all moneys held by or under the control of the mortgage broker at any one time for the account of others. Said fidelity bond shall be in favor of the applicant and shall provide for the recovery by him for any loss of such funds held by him or his agent or employees arising out of a defalcation, misappropriation or theft of such funds by such agent or employees. If the applicant is an individual or a copartnership, the individual or copartner shall file with the application in lieu of said fidelity bond, a bond in the sum of not less than five thousand dollars

(\$5,000) issued by an admitted corporate surety insurer, approved by the commissioner, in which the applicant is the obligor. Any debtor or lender claiming to be injured by the fraud, deceit, or willful negligence of any real property loan broker may bring action upon said bond against both principal and surety in any court of competent jurisdiction to recover the damages caused by such fraud, deceit, or willful negligence, or the failure to comply with the provisions of this chapter. The provisions of this section shall not be applicable to the negotiation of a loan or loans by a licensed real estate broker in which he does not actually or constructively in any way keep, have charge of, or otherwise handle any of the funds involved in the loan.

3081.06. The registration as a real property loan broker shall expire at the same time as does the applicant's license as a real estate broker. Thereafter the license and the registration shall run for concurrent periods.

3081.07. When a registration as a real property loan broker has been issued, the applicant's real estate brokers license shall be affixed with a distinctive insignia, as designated by the Real Estate Commissioner, to clearly indicate to the public that the licensee is also registered as a real property loan broker.

3081.08. Every person registered as a real property loan broker under this article shall be subject to the disciplinary provisions of Article 3 (commencing at Section 10175) of Chapter 3, Part 1, Division 4 of the Business and Professions Code.

3081.09. All funds accepted by a real property loan broker for the purchase of a promissory note secured by a lien on real property or for the negotiation of a loan evidenced by a promissory note secured by a lien on real property, either as principal or as agent, shall be maintained in a trust account in a legal depository until such time as the buyer or lender approves or disapproves of the purchase or loan.