

REAL ESTATE BULLETIN

Official Publication of the Division of Real Estate

EARL WARREN, Governor

Sacramento, September, 1953

D. D. WATSON, Commissioner

Review of 1953 License Law Changes Gives Highlights

Changes Include Provisions for Limited Salesman and Inactive Licenses; Many Sections of Law Clarified or Modified by Amendments Now Effective

The more important license law changes made in 1953, insofar as the average broker and salesman are concerned, were reported in the July *Bulletin*.

Discussed were the new limited real estate salesman license (replacing the provisional salesman license), the responsibility for delivering copies of contracts, the new inactive license provisions, commingling, the use of send-out slips, etc. (See July *Bulletin*.)

The following are additional changes or clarifications of the law which we believe will be of general interest:

Disciplinary Action: The commissioner now has three full years in which to take action against a licensee for violations of the law. Formerly there was a difference of opinion, and some felt he must complete his hearing and issue his order within the three years.

Mentally Ill: The licenses of persons adjudged "mentally ill" may be revoked or suspended until they have recovered. Formerly the law stated they must be adjudged "insane" or "incompetent." The courts very often use the term "mentally ill" instead of those other terms.

Commingling: The law formerly referred to commingling the funds of the principal. The principal was usually the seller and the law did not specifically refer to the buyer. Now the law states that commingling the funds or property of anyone in a transaction is basis for discipline.

Secret Profits: The law has been broadened to include secret profits in connection with any act for which a broker or salesman is licensed, such as negotiating loans, leasing, etc.

Conviction of a Crime: Sometimes persons plead guilty and are sentenced to jail or to pay a fine, even though they are not technically convicted. The law formerly specified "convicted," and the commissioner has had

DEADLINE FOR DIRECTORY ORDERS OCTOBER 10

Orders for the 1953-54 Directory of Licensed Brokers and Salesmen will be accepted until October 10, 1953, when the division must place a firm printing order. Send orders and checks directly to Division of Real Estate, 1021 O Street, Sacramento. Directories will not be sold through the division's branch offices.

Under the newly amended law, the price of the directory to a licensed broker is \$1.03 (including sales tax). The price of the directory to anyone not a licensed broker is \$3.61 (including sales tax).

The licensed broker is entitled to only one copy of the directory at \$1.03. However, if he is licensed both as a business opportunity and a real estate broker, he may have two copies at that price. If additional copies are desired for branch offices, the regular charge of \$3.50 per copy must be made according to the newly amended law.

Cost of publishing the directory far exceeds the established price for brokers and the intent of the nominal charge is to confine its ordering to those having a genuine use for the publication.

difficulty revoking or suspending a license even though the licensee might be serving time in jail. This technicality has been corrected.

Closing Statements: The new law requires the broker to furnish a closing statement accounting for the money and property involved in a transaction *within one month after the deal is completed*. Formerly the law was a little contradictory and said that this requirement was not effective after one year. This has now been clarified, however the commissioner must still take action within three years.

Holding Applications: There has been a question as to how long the commissioner must hold or could hold an original application fee to the credit of an applicant. Sometimes it is a matter of months or years before the applicant qualifies by examination or experience. The law now places a three-year limitation within which applicants for licenses may qualify without submitting an additional original application fee.

Commissioner's Rules: There is a regular procedure which the commissioner must follow by law when he adopts a new rule or regulation. Now, in addition, he must also give the members of the Advisory Board (State Real Estate Board) at least 30 days' prior notice before adopting or changing a rule or regulation.

Abandoned Offices: If any broker abandons his office, his license may be revoked after a hearing. Formerly the law stated that the license was "automatically canceled" if the office was abandoned. This was not thought to be a reasonable law, so the change was made. A protective clause covering those who abandon offices to enter military service has been inserted.

Out-of-state Subdivisions: The fees for inspecting and reporting on out-of-

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Published Bimonthly by the
DIVISION OF REAL ESTATE

STATE OF CALIFORNIA
EARL WARREN, Governor

D. D. WATSON
Real Estate Commissioner

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DISCIPLINARY ACTION—JUNE, JULY, 1953

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. A list of persons to whom licenses are denied upon application is not published.

LICENSES REVOKED DURING JUNE, JULY, 1953

Name	Address	Effective date	Violation
Marsh, Lester Marvin..... Real Estate Broker Business Opportunity Broker	715 S. Hawthorne Blvd., Hawthorne	6/ 4/53	Secs. 10176 (e), (f); 10177 (f); 10300; 10302 (e) & Secs. 2830, 2831, & 2832 of R. E. Comm. Rules and Regulations
Rowland, Arlen ElRoy..... dba Los Angeles Homes Company Real Estate Broker	3726 Sunset Blvd., Los Angeles...	6/ 4/53	Secs. 10141; 10176 (a), (b), (d), (g), (i) & 10177 (f)
Rowland, Arlen ElRoy..... dba Rowland Investment Company Real Estate Broker	3726 Sunset Blvd., Los Angeles ...	6/ 4/53	Secs. 10141; 10176 (a), (b), (d), (g), (i) & 10177 (f)
Rowland, Arlen ElRoy..... dba Sunset Lot Specialties Co. Real Estate Broker	3726 Sunset Blvd., Los Angeles ...	6/ 4/53	Secs. 10141; 10176 (a), (b), (d), (g), (i) & 10177 (f)
Leaver, Robert Alan..... Real Estate Broker	3726 Sunset Blvd., Los Angeles ...	6/ 4/53	Secs. 10141; 10176 (a), (d), (g), (i) & 10177 (f)
Solis, Joseph Donald..... dba Antioch Realty Real Estate Broker (Right to renew)	424 Fourth St., Antioch.....	6/ 8/53	Secs. 10176 (e), (f); 10177 (d), (f) & Secs. 2830, 2831, & 2832 of R. E. Comm. Rules and Regulations
Solis, Joseph Donald..... Real Estate Salesman	25 Main St., Los Altos.....	6/ 8/53	Secs. 10176 (e), (f); 10177 (d), (f) & Secs. 2830, 2831, 2832 of R. E. Comm. Rules and Regulations
Tessler, Harry Henry..... dba Tess Realty Company Real Estate Broker	3004 16th St., San Francisco.....	6/15/53	Sec. 10177 (b), (f)
Mancha, Joseph Franklin..... Real Estate Broker (Right to renew or reinstate)	25 Annescourt Place, Hillsborough	6/25/53	Sec. 10177 (b), (f)
Carucci, Bernard George..... Real Estate Salesman (Right to reinstate or renew)	256 Shoreline Hwy., Mill Valley..	6/25/53	Sec. 10177 (b), (f)
Taylor, Ralph Leon..... Real Estate Broker (Right to reinstate or renew)	165 Webster St., San Francisco ...	6/25/53	Secs. 10160; 10162; 10164; 10176 (e), (f); 10177 (f) & Secs. 2830, 2831, & 2832 of R. E. Comm. Rules and Regulations
Moreno, Charles M..... dba Tops Realty Co. Real Estate Broker	4526 El Cajon Blvd., San Diego....	6/26/53	Sec. 10177 (b), (f)
Karrell, Barbara W..... dba Builders Investment Co. Real Estate Broker	5960 Crenshaw Blvd., Los Angeles	7/ 3/53	Sec. 10177 (f)
Scribner, Walter Kellogg..... Real Estate Salesman	1205 Solano Ave., Albany.....	7/ 3/53	Secs. 10176 (a), (b), (d), (e), (g), (i); 10177 (d), (f); 10157 & Sec. 2732 of R. E. Comm. Rules and Regulations
Fernando, Carl Reginald..... Real Estate Broker (Right to reinstate)	Suite 200, 603 W. Seventh St., Los Angeles	7/ 6/53	Sec. 10177 (b), (f)
Funchess, Daniel Littleton David..... dba Funchess System of Realty Service Real Estate Broker Business Opportunity Broker	4341 S. Main St., Los Angeles.....	7/14/53	Secs. 10137; 10176 (e), (f); 10177 (d), (f) & 10302 (e)
Adams, Ophelia Cleo..... dba Rita Adams Real Estate Broker	3650 S. Western Ave., Los Angeles..	7/15/53	Secs. 10176 (e), (f); 10177 (f) & Sec. 2830 of R. E. Comm. Rules and Regulations
Petermann, Franklin Leonard..... Real Estate Broker Business Opportunity Salesman	9819 Glasgow Place, Los Angeles...	7/20/53	Secs. 10176 (e), (f); 10177 (f); 10301 (e), (f) & 10302 (e)
Burns, Lillie Vestille..... dba Burns Realty Company Real Estate Broker Business Opportunity Broker	4513 S. Avalon Blvd., Los Angeles	7/24/53	Secs. 10176 (e), (f); 10177 (b), (d), (f); 10302 (b), (d), (e) & Sec. 2830 of R. E. Comm. Rules and Regulations

LICENSES SUSPENDED DURING JUNE, JULY, 1953

Name	Address	Effective date and term	Violation
Phelps, Fred Moreland, Jr.... Real Estate Salesman	702 S. Orange Grove Ave., Los Angeles	6/ 4/53 60 days	Secs. 10176 (a), (b), (i) & 10177 (f)
Pippin, Jack Donald..... Real Estate Salesman	3726 Sunset Blvd., Los Angeles ...	6/ 4/53 60 days	Secs. 10141; 10176 (a), (d), (g), (i) & 10177 (f)
Ohanesian, John Malcolm..... Real Estate Broker	Rm. 10, 2044 Mariposa St., Fresno	6/20/53 90 days	Secs. 10176 (d), (g), (i) & 10177 (f)
Murphy, Richard J..... Real Estate Salesman	3021 Foothill Blvd., Oakland.....	6/30/53 30 days	Secs. 10176 (a), (b), (i); 10177 (f) & 10177.5
Whitehorn, James F..... Real Estate Broker	Whitehorn Ranch, 29 Palms Hwy., Joshua Tree	7/17/53 9 mos.	Secs. 11012; 11013 & 10177 (d), (f)

Seller Must Tell Defects

Keeping Silent Construed as Fraud

To what extent is the seller of property obliged to disclose facts concerning the property to a buyer? A case covering this point was decided recently by the appellate court. The seller had lived in the property for some time and had added on to the existing building without getting building permits or having inspections. There were no overt misrepresentations, as the matter was not discussed.

The court held that where the seller knows facts which materially affect the desirability of the property and they are things which the buyer cannot see for himself when he inspects the property, withholding such information is fraudulent. The seller is bound to disclose such facts to the buyer, and upon his failure to do so, the buyer may rescind the transaction upon discovering the true facts.

While there was a broker in this transaction, it appears that he was not directly involved.

(Case reported in 115 A.C.A. 566.)

More Details of License Law Changes Made By 1953 Legislature

(Cont. from Page 105)

state subdivisions are now increased. A charge of 10 cents per mile each way from Sacramento is specified, instead of 5 cents per mile. A charge not to exceed \$50 per day may be made for each day consumed in examination of the project. Formerly this was limited to \$10 per day. This does not apply to any subdivision located in California.

Lease Subdivisions: A subdivision is land divided into five or more parcels, etc., for the purpose of sale or lease. One section of the law inadvertently omitted the words "or lease," and the new legislation corrects this. (Section 11010.)

Renewal Right: When charges are made and a hearing is held against a person for violation of the license law, he sometimes will voluntarily turn in his license, thus hoping to avoid a hearing. The new law states the commissioner may proceed anyway, and attack any rights there may be to a renewal of a license.

Military Service: If a broker or salesman enters military service (as defined in the law), he is now required to notify the commissioner. However, the law states that if he forgets to give due notice, the commissioner shall reinstate his license if he finds that he was entitled to military privileges.

Exemptions from License: The law has always exempted certain persons from having a license, such as an attorney rendering services as an attorney at law, any person acting under order of a court, etc. The wording of this section conflicted with other sections, and has been clarified.

Fees Not Refundable: Whenever a fee is paid in connection with an application for license, the law clearly provides that the fee is earned by the division upon its receipt, and is not refundable. Therefore, when a person makes application for license and pays the fee and then changes his mind, he cannot get a refund. The only exception is when money is paid to the division by mistake. For example, if a salesman applicant inadvertently sends in \$10 instead of \$5, the difference would be refunded.

Transcripts: If the commissioner holds a hearing to revoke or suspend a license, a court reporter takes down all the testimony. Anyone requesting a copy of the testimony (transcript) must pay the fee set forth in Section 274 of the Code of Civil Procedure. This runs about 25 cents per folio at present, but is subject to change. Formerly the law specified a flat 10 cents per folio.

M. O. & G. Examinations: Formerly if a mineral, oil and gas broker appli-

cant failed his first examination, he had to pay a full \$20 re-examination fee. This has been reduced to \$10 to make it standard with real estate and business opportunity fees.

Restricted License: Formerly restricted licenses could be issued after a license had been revoked or suspended. The law also provided that the commissioner could take away the restricted license without a hearing. A restricted license may be suspended pending a hearing, but now cannot be revoked without a hearing.

A new important provision allows the commissioner to issue a restricted license to a new applicant. This could not be done formerly. Sometimes the commissioner finds an applicant should be entitled to an opportunity to rehabilitate himself, but could only issue a regular license with no provision for careful supervision. Under a new amendment, in such cases, a restricted license may be issued, but can be suspended pending a hearing, and while final determination is being made after the hearing. Restricted licenses do not confer any property right, and the holder does not have the right of renewal of such license. This applies to all types of restricted licenses issued by the Real Estate Commissioner.

Fraud Judgments: When a final judgment is obtained in a civil lawsuit against a broker or salesman on the grounds of fraud, misrepresentation, or deceit, the commissioner may revoke or suspend a license. This now applies to any act for which a license is required.

Business Opportunity Loans: Negotiating loans on real estate has always required a real estate license, but "negotiating loans" on businesses was not included in the license requirements. The definition of a business opportunity broker and salesman now includes "one who negotiates loans on business opportunities."

NOTE—All of the foregoing amendments apply to all three general types of licenses issued by the Real Estate Commissioner, namely, real estate, business opportunity, and mineral, oil and gas.

SUBDIVISION STOP ORDERS ISSUED

Name	Address	Effective date	Grounds
Furlow Heights No. 3 (Parcel sales stopped)	San Diego	7/ 9/53	Secs. 11019 & 11020
Bruning's Subdivision (Parcel sales stopped)	Mendocino County	8/24/53	Secs. 11019 & 11020
The Younce Property Resub- division No. 1 (Parcel sales stopped)	Mendocino County	8/24/53	Secs. 11019 & 11020
Larkin Younce Tract Resub- division No. 2 (Parcel sales stopped)	Mendocino County	8/24/53	Secs. 11019 & 11020
Larkin Younce Tract Resub- division No. 3 (Parcel sales stopped)	Mendocino County	8/24/53	Secs. 11019 & 11020
Larkin Younce Tract (Parcel sales stopped)	Mendocino County	8/24/53	Secs. 11019 & 11020
Larkin Younce Tract Oak Knolls (Parcel sales stopped)	Mendocino County	8/24/53	Secs. 11019 & 11020
Benstown Subdivision (Parcel sales stopped)	Mendocino County	8/24/53	Secs. 11019 & 11020
Desacres Unit No. 1 (Parcel sales stopped)	Los Angeles County	8/28/53	Secs. 11012; 11019; 11020 & Sec. 2800 of R. E. Comm. Rules and Regulations
Lugosi Park (Parcel sales stopped)	Riverside County	8/28/53	Secs. 11012; 11019; 11020 & Sec. 2800 of R. E. Comm. Rules and Regulations

Most Licensees Renew For 1953-54 Year

Many Renewed Licenses Are Immediately "Inactivated" to Keep Rights Intact

The latest renewal figures again demonstrate that people who hold real estate and business opportunity licenses are not disposed to drop them even though they may not be active as agents at the present time.

During the 1952-53 year, 105,730 licenses were issued by the division—a new record total—and it was expected that a substantial number would not renew their licenses for the 1953-54 year. This did not prove to be the case as almost 90 percent of all licenses were renewed by July 31, 1953. Over 94.1 percent of those entitled to renew their broker licenses and over 82.2 percent of those entitled to renew salesman licenses did so.

Over the past several years, there has been a steadily growing tendency to cancel or "inactivate" licenses as licensees have been put on notice that they must meet the requirements of the law in respect to maintaining offices and displaying signs and licenses properly, or subject their licenses to disciplinary action. Again this year, many licensees chose to put themselves on the "inactive" list. Almost 16,800, 17.6 percent of those renewing their licenses, requested that the licenses be canceled or "inactivated."

Late License Renewals Expected

Past experience demonstrates that many 1952-53 licenses, not renewed as yet, will be renewed for the 1953-54 year upon the payment of a penalty fee. The law provides that until June 30, 1954, anyone who held an unrevoked license for the year ending June 30, 1953, has a right to renew that license upon application and the payment of a double renewal fee.

COMPARISON OF LICENSES ISSUED		
	July 31, 1953	July 31, 1952
Real estate broker.....	51,991	51,645
Real estate salesman.....	34,878	29,489
Provisional salesman	49	62
Business opportunity broker	7,246	7,270
Business opportunity salesman	1,344	1,230
Mineral, oil and gas broker	100	89
Totals	95,608	89,785

Experienced Realty Man Added to Extension Staff

The University Extension Division of the University of California has announced that Mr. Duncan B. Campbell has joined its staff with the responsibility of administering and coordinating the real estate program conducted by the university in cooperation with the Division of Real Estate and the California Real Estate Association.

Mr. Campbell's appointment brings to the University Extension staff a man long experienced in real estate and interested in advancing real estate education. He first entered the real estate business in 1931 in Providence, Rhode Island, after graduating from Princeton University. Except for a tour of duty with the United States Navy during World War II, Mr. Campbell has been actively engaged in real estate ever since.

A member of the Providence Real Estate Board for many years, Mr. Campbell has served as a director and on its executive committee and was its president in 1951. He has held many honorary positions in the real estate field; he served as official delegate to the NAREB conventions in 1950 and 1951 and was a member of the Realtors' Washington Committee and a member of the Speaker's Bureau of NAREB's Educational Committee.

Just prior to joining the University Extension staff, Mr. Campbell was owner of Duncan B. Campbell Co., Real Estate and Insurance, as well as president of Campbell Homes, Inc., a firm engaged in residential construction in Providence, Rhode Island.

Mr. Campbell will be in touch with boards and individuals in Northern California interested in furthering and improving real estate educational opportunities.

Regulation Changes Adopted

New Rules Affect Inactive Licensees Use of Fictitious Business Names

Holders of canceled or inactive broker or salesman licenses are required to file their addresses with the Division of Real Estate and promptly notify of any changes in addresses under new rules and regulations recently adopted by the Real Estate Commissioner.

There are many thousands of inactive licensees on the rolls of the division who are in a position to reinstate on an active basis at any time, and it is logical to require that their addresses should be kept current in the division's files. Many situations arise where it is necessary to get in touch with the inactive licensee without delay.

The division will keep addresses current on addressograph plates and a charge of \$1 must be paid by the inactive licensee upon change of address to cover the cost of the operation.

Another rule and regulation, adopted on August 17, 1953, requires the broker who is using a fictitious name in the conduct of his business to have a license bearing that fictitious name. For example, if John Jones is advertising or otherwise conducting business under the name "J. J. Realty Company," the fictitious name must be shown on his license.

Rules and regulations adopted recently are as follows:

2723. Inactive Broker Must File Address. The holder of a canceled or inactive license shall file his address with the commissioner and shall promptly notify the commissioner of any change in his address.

2730.5. License Bearing Fictitious Name Required. No fictitious name shall be used by a broker in the conduct of any business for which a license is required under the Real Estate Law, unless a license bearing such fictitious name has been issued to said broker.

2754. Inactive Salesman Must File Address. The holder of a canceled or inactive license shall file his address with the commissioner and shall promptly notify the commissioner of any change in his address.

2790.5. Subdivision Questionnaire Must Be Verified. Each subdivision questionnaire filed pursuant to Section 11011 of the Business and Professions Code shall be verified before a notary public or other officer qualified to administer oaths. Such verification shall extend to the documents attached to the questionnaire as well as the statements contained in the questionnaire itself.

Certificate Program in Real Estate

Fall Schedule of Professional Level Real Estate Courses Announced

The University Extension of the University of California again presents a state-wide program of professional real estate education for the fall of 1953. The program is sponsored by the University Extension in cooperation with the California Division of Real Estate; the Educational Committee, National Association of Real Estate Boards; and the California Real Estate Association.

This program of continuing education leading to a Certificate in Real Estate has been designed for the purpose of aiding individual brokers and salesmen to increase and broaden their knowledge of their profession, and through them to raise the standards of the real estate business.

Program Designed for Career People

The program is primarily intended for those already in the real estate business, but it will also be of great value to those in related fields. However, it is not designed to meet the needs of those who want to get into the real estate business and are preparing for examinations.

Upon the successful completion of eight courses of the established curriculum, a Certificate in Real Estate will be awarded by the University Extension. A comprehensive coverage of essential real estate subjects may be completed in two years if enrollment is made in two courses each term.

In certain cases, the enrollee may receive credit toward the certificate for a limited number of courses completed elsewhere which are of satisfactory quality and cover subjects parallel to those included in the certificate program. With the exception of real estate fundamentals, the professional courses listed are open only to individuals holding a real estate salesman or broker license or those working in fields relating to real estate. The courses are also open to past students of real estate who have successfully completed one or more University Extension real estate courses.

Courses Can Be Brought to You

It is to be emphasized that this is a state-wide program. If the classes listed below are not within reach of your area, contact your nearest Real Estate Board and request that they write to University Extension. The University Extension will bring this program to

your community when sufficient demand becomes apparent.

As the real estate certificate program develops, more and more brokers and salesmen are taking advantage of the opportunities offered by these courses so that they may look to increased earnings made possible by better and more knowledgeable service to their clients. As time goes on, both the public and the industry are recognizing the professional stature of the licensee holding a Certificate in Real Estate.

Following is the fall schedule giving place, starting date and class hours of the courses:

NORTHERN AREA

- Berkeley Campus:* Wheeler Hall
Real Estate Finance—Sept. 16, 7-9.30 p.m.
Real Estate Appraisal and Valuation—Sept. 28, 7-9.30 p.m.
- Berkeley Campus:* Engineering Building
Construction Costs and Estimating—Sept. 22, 7.30-9.30 p.m.
Estimating for Construction—Sept. 23, 7.30-9.30 p.m.
- Fresno:* Fresno Realty Board Auditorium, 2123 Amador Street
Real Estate Fundamentals (The Economics of Real Estate)—Sept. 22, 7-9.30 p.m.
- Marin County:* San Rafael City Hall, Assembly Hall
Real Estate Finance—Sept. 15, 7-9.30 p.m.
- Menlo Park:* Menlo School and College, Accounting Room
Real Estate Practice—Sept. 28, 7-9.30 p.m.
- Oakland:* 1730 Franklin Street
Real Estate Law—Sept. 14, 7-9 p.m.
Real Estate Fundamentals (The Economics of Real Estate)—Sept. 17, 7-9 p.m.
- Sacramento:* 1020 N Street, Room 102
Real Estate Management—Sept. 14, 7-9 p.m.
Real Estate Finance—Sept. 17, 7-9.30 p.m.
- Salinas:* Salinas Union High School, Room 54
Real Estate Appraisal and Valuation—Sept. 21, 7-9.30 p.m.
- San Francisco:* 540 Powell Street
Real Estate Practice—Sept. 17, 7-9 p.m.
Real Estate Management—Sept. 14, 7-9.30 p.m.
Real Estate Law—Sept. 16, 7-9.30 p.m.
City and Regional Planning—Sept. 16, 7.30-9.30 p.m.
Construction Costs and Estimating—Sept. 25, 7.30-9.30 p.m.

- San Francisco:* 140 Montgomery Street
Real Estate Appraisal and Valuation—Sept. 15, 7-9 p.m.
- San Mateo:* San Mateo Junior College, 124 Baldwin Ave., Rm. 21
Real Estate Appraisal and Valuation—Sept. 15, 7.30-10 p.m.
- Santa Cruz:* Mission Hill Junior High, Rm. 7
Real Estate Finance—Sept. 15, 7-9.30 p.m.

SOUTHERN AREA

- Inglewood:* Inglewood Realty Board Building, 650 East Manchester Boulevard
Real Estate Practice—Oct. 1, 7-9.30 p.m.
Valuation of Real Property—Sept. 30, 7-9.30 p.m.
- Los Angeles:* Hill Street Building
Elements of Real Estate and Urban Land Economics—Sept. 15, 7-9.30 p.m.
Real Estate Practice—Sept. 23, 7-9.30 p.m.
Real Estate Law—Sept. 21, 7-9.30 p.m.
Real Estate Finance—Sept. 22, 7-9.30 p.m.
Valuation of Real Property—Sept. 21, 7-9.30 p.m.
Real Estate Appraisal and Valuation—Sept. 23, 7-9.30 p.m.
Real Estate Management—Sept. 24, 7-9.30 p.m.
General Insurance I—Nov. 17, 6.30-9 p.m.
General Insurance II—Sept. 10, 6.30-9 p.m.
Salesmanship—Sept. 10, 7-9.30 p.m.
Advertising Principles—Sept. 16, 7-9.30 p.m.
Investment Principles and Policies—Sept. 14, 7-9.30 p.m.
- City and Regional Planning—Sept. 16, 7-9 p.m.
Construction Costs and Estimating—Sept. 16, 6-8 p.m.
Advanced Construction Costs and Estimating—Sept. 16, 8-10 p.m.
- Pasadena:* Pasadena City College, 1570 East Colorado
Real Estate Practice—Sept. 21, 7-9.30 p.m.
Valuation of Real Property—Sept. 23, 7-9.30 p.m.
Architectural Design and Construction for the Realty Profession—Sept. 24, 7-9.30 p.m.
- San Diego:* San Diego High School, 12th Ave. and Russ Street
Real Estate Practice—Sept. 22, 7-9.30 p.m.
Real Estate Finance—Sept. 24, 7-9.30 p.m.
Valuation of Real Property—Oct. 19, 7-9.30 p.m.
- San Fernando Valley:* North Hollywood High School, 5231 Colfax Avenue
Real Estate Finance—Sept. 21, 7-9.30 p.m.
Valuation of Real Property—Sept. 22, 7-9.30 p.m.
- San Pedro:* San Pedro High School, 1001 West 15th Street
Valuation of Real Property—Sept. 22, 7-9.30 p.m.
- Westwood:* U. C. L. A. (B. A. E.)
Real Estate Practice—Sept. 22, 7-9.30 p.m.
Real Estate Law—Sept. 23, 7-9.30 p.m.
Real Estate Finance—Sept. 23, 7-9.30 p.m.
Real Estate Appraisal and Valuation—Sept. 21, 7-9.30 p.m.
Real Estate Management—Sept. 21, 7-9.30 p.m.

More Law Changes of Interest to Brokers

In Addition to License Law, Legislature Amended Many Laws Affecting Property

Did you know that the dates for paying the second half of real estate taxes has been changed? Or that the amounts exempt from execution when a declaration of homestead is recorded have been raised substantially?

Quite a number of changes have been made in laws relating to the real estate business at the last session of the Legislature. A few of the highlights are listed here.

Homesteads: One who is the head of a family and who has filed a declaration of homestead is now exempt from execution to the extent of \$12,500 instead of \$7,500, the former amount. One who is not the head of a family is exempt to the extent of \$5,000, instead of \$3,000, as formerly. These changes give additional protection to the home owner and make allowances for the higher costs of homes. A filing of a declaration of homestead may have far reaching effect, and brokers and salesmen should advise those considering filing a homestead to consult their attorneys. There have been cases where homestead declarations have done more harm than good.

Real Estate Tax Payments: The due date and delinquent date for the first installment of real estate taxes is unchanged. However, second installment payments are now due February 1st and are delinquent April 10th. This gives the property owner 10 less days in the year to pay the second installment. We understand it was done to give tax collectors more time to prepare their tax rolls to meet a legal deadline.

Cal-Vet Loans: California Veterans of World Wars and the Korean action are entitled to buy a home through state assistance. The State buys the home if all requirements are met, and sells it on contract to the veteran at low interest rates. This also applies to farms. With the new changes, the home cannot be valued at more than \$12,500 or the farm more than \$18,500. The home value was raised \$1,000 and the farm value \$2,000 by the last Legislature. The amount advanced for the purchase of a home remains the same, \$8,500, and for a farm \$15,000. The veteran is not eligible under the plan if his purchase would cause him to own real estate valued at more than \$12,500, or as a result of a farm purchase, \$18,500.

Escrow Law: Escrow holders must be licensed by the State. They are li-

STATE SEEKS REALTY MEN AS PURCHASING OFFICERS

Experienced real estate appraisal men are needed to negotiate for and acquire property for the State Division of Beaches and Parks. A civil service exam for these State Park Lands Purchasing Officer jobs will be held in December, the State Personnel Board announces. Applications will be accepted until November 20th.

Requirements are three years of real estate appraisal or two years real property acquisition work experience in a public agency or large corporation. College graduation or additional experience is also needed. The salary range is \$458 to \$556 monthly.

Complete information may be obtained from the State Personnel Board at Sacramento, San Francisco or Los Angeles or any Department of Employment office.

censed by the Division of Corporations under provisions of "The Escrow Law." Exempt from the license requirement are persons and firms otherwise licensed by the State, such as banks, title companies, and real estate brokers. Attorneys are also exempt.

This year the Escrow Law was amended. Now only corporations, organized for escrow purposes, may secure a license. Individuals will not be licensed, neither will partnerships or associations.

The new law prohibits paying any "referral" fees to outsiders for sending the company some business. If a licensed escrow company accepts signed blank instructions to be filled in later, the license may be revoked. Any alteration of signed instructions without all parties initialing the instructions, is cause for revocation. Furthermore, a true copy of instructions must be

NOTE TO SUBDIVIDERS

SUBDIVISION QUESTIONNAIRES MUST BE VERIFIED

To avoid any unnecessary delay in the processing of their subdivision filings, subdividers should make sure that their completed subdivision questionnaires are verified before a notary public or other officer qualified to administer oaths. No subdivision questionnaire can be accepted unless it is so verified, according to Section 2790.5 of the commissioner's rules and regulations, effective August 17, 1953.

When the subdivider signs the questionnaire and swears to the truth of the statements contained therein, he is also subscribing to the authenticity of the documents attaching to the questionnaire.

given to everyone who signs them, or who initials them.

Unemployment Tax Exemption: This was extended to licensed real estate salesmen in 1951. It now extends to business opportunity, mineral, oil and gas, and cemetery salesmen. This is partly on the theory that as long as they are licensed they are not unemployed, although they may not be making any money.

Subdivision Laws: The law now provides for approval by a city of a subdivision map of property outside the city, and upon application of the subdivider and final approval of the map, the area may be annexed. In other words, the subdivider does not have to wait for annexation to be completed before submitting his map to the city, if he is on the fringe of the city and plans to annex.

School Escrows: School districts may now put property in escrow which they plan to use for school sites, and also obtain options in order to assemble a school site where several owners are involved. This will permit faster action by school authorities, and often enable them to buy the property before it is subdivided.

Private and Public Streets: The city or county may now approve the installation of improvements in private as well as public streets as a condition precedent to the filing of a record of

(Cont. on Next Page, Col. 1)

STATE TO HIRE 67 APPRAISERS IN BIG ASSESSMENT REVIEW

Sixty-seven appraisers and trainees are needed by the State Board of Equalization to help carry out a major state-wide overhauling of property assessments. The job will require 29 additional experienced appraisers, and 38 young college graduates to be trained in assessment work.

Many appointments will fall into two present state civil service classes. One of these is assistant real property appraiser, paying \$395 to \$481 a month, the other, junior real property agent at \$325 to \$376.

Applications are being received at the personnel office of the State Board of Equalization, 1020 N Street, Sacramento.

Laws Touching Real Property

(Cont. from Page 110, Col. 3)

survey map. Heretofore, a number of subdividers put in private streets and the city or county had no jurisdiction over the type of improvements made for the streets.

Subdivision Flood Hazard: A subdivision map may now be disapproved if flood hazard exists, unless protective improvements are constructed as a condition to getting the final map approved.

Building Standards: A new law provides for a State Building Standards Commission which is instructed to adopt and publish in a single code all administrative regulations of state agencies defining building standards. This is an effort to compile in one document all building standards, eliminate conflicting provisions and make more workable the regulations with which contractors must conform.

Planning Laws: Some of the more remote counties and smaller cities have never adopted any subdivision ordinance. A new state law requires every county and city to adopt such an ordinance.

Leases for Year or Less: A verbal lease for a year or less on rented property (other than lodging or dwelling houses) is presumed by law to be on a month-to-month basis rather than on a one-year basis. The law was so

Escrow License Law Changes Extensive

Getting Signatures to Blank Forms, Misnaming Escrows and Other Acts Barred

The escrow law was broadened in its provisions by the State Legislature in 1953. From now on, licenses will be issued to escrow companies only if they are corporations organized for that purpose.

The law now also makes the dissemination of false, misleading or deceptive statements or representations, or the omission to state material information to persons entitled to it, a violation of the license law. Furthermore, a transaction may not be called an "escrow" unless it falls within the definition of an escrow as set forth in the law. In the past the term "escrow" has been used rather carelessly and applied in many cases where an actual escrow did not exist.

It is no longer permissible to solicit or accept any escrow instruction which contains any blank space to be filled in after the signing of the instructions. This is for the purpose of preventing any alteration of the instructions after they are signed. It has been the bad practice of some escrow holders to secure instructions signed in blank and then insert matter which later caused a dispute.

The law also prohibits any licensed

amended at the last session of the Legislature. Agricultural property, however, is still presumed to be rented for one year unless otherwise expressed in writing. Formerly a lease was generally presumed to be for a 12-months period if it was not in writing.

Old Recorded Maps: A new law validates any map or plat filed or recorded before April 1, 1953, despite possible defects or omissions as to endorsements, certificates or acknowledgments.

Public Parking: Legislature voted to submit to the people at the next general election a proposed constitutional amendment, permitting the use of highway funds for the planning and construction of vehicle parking facilities.

Loyalty Oath: Any person claiming tax exemption will have to sign a loyalty statement. Probably the largest group affected will be veterans entitled to the \$1,000 exemption on assessed value.

Landlords: If you rented an unfurnished apartment and did not pay your rent, your landlord could have a lien on your personal effects, but did not have a lien if it was a furnished apartment. This has been changed. Tenants of both furnished and unfurnished apartments may have their belongings attached to secure payment of rent.

escrow-holder from permitting any person to make an addition, deletion, or alteration of an escrow instruction, unless the change is signed or initialed by all of the persons who had signed or initialed the instruction prior to the time the change was made. Furthermore every licensed escrow-holder must deliver a copy of the escrow instructions, either the original, amended, or supplemental, to all persons executing (signing) the same at the time of execution (or signing).

It is also now a violation of the law for any licensed escrow-holder to pay a fee or commission to anyone, other than employees, as compensation for referral of customers to the escrow.

MANAGEMENT COURSES OFFERED FOR SMALL PROPERTY OWNER

Starting this fall, an elementary course in management for the small real estate owner interested in the profitable operation of his own property will be offered by the Extension Division of the University of California.

This course is not intended for professionals in the field of real estate, but is designed to develop basic knowledge and skills in the practical and legal aspects of management.

Identical sections of the class will start at University Extension, 815 S. Hill Street, Tuesday, September 29th, at 7 p.m. and in the U. C. L. A. Business Administration and Economics Building at the same hour on September 21st. Gene Voorhies, attorney and member of the University Business Administration staff, will act as instructor.

LICENSE LAW OFFICIALS TO MEET IN LOS ANGELES

More than 100 officials charged with the enforcement of real estate license laws will hold their regular annual conference at the Hotel Statler in Los Angeles, November 2-8. They will represent 38 states which have real estate license laws, four Canadian provinces, the Territory of Hawaii and the District of Columbia.

The association known as the National Association of License Law Officials was organized back in the 1920's to enable license officials to exchange ideas and experiences for the furtherance of better law enforcement. It has also served as a clearing house for information concerning undesirable licensees against whom action has been taken in the various areas. For example, when a license is revoked in California, the information is disseminated to all other member commissioners.

The group, referred to as NALLO for brevity, also works toward the standardization of qualifications, such as examinations, experience and moral background and promotes cooperation among the various states in eliminating undesirable real estate rackets. It has concerned itself with unfair rental schemes, advertising schemes and the practice of charging advance fees without giving adequate service.

The California Real Estate Commissioner and his staff are lending their assistance to make this the largest and most profitable gathering in the association's history.

**Seller Alters Written Offer
No Contract Created Says Appeal Court**

Unless a broker understands the law relating to an offer and an acceptance, he may be working pretty much in the dark. A recent appellate court case resulted in a very definite ruling on this subject.

A purchaser made a written offer to buy a lot in Inglewood, and agreed that the seller should reserve the interest in an oil and gas lease on the property. The offer was submitted in writing.

The seller altered the written offer, changing the language "present owner to retain the oil rights" to state "seller to retain all oil, gas and mineral rights."

An escrow was opened by the buyer which set forth his offer. The escrow instructions were not signed by the seller. The seller then sued for specific performance to force buyer to go through with his offer.

The court stated: "A proposal may be revoked at any time before its acceptance is communicated to the proposers, but not afterwards. Furthermore an acceptance to result in the formation of a binding contract must meet exactly and precisely the terms proposed in the offer * * *."

"An acceptance to create a contract must be absolute and unqualified, or must include in itself an acceptance of that character which proposer can separate from the rest, and which will include person accept-

REALTORS OF STATE AND NATION TO CONVENE

The annual convention of the National Association of Real Estate Boards will be held in Los Angeles from November 6th through November 13th this year with Los Angeles Realtors playing host. The yearly California Real Estate Association convention will be held on November 6th and 7th, also at Los Angeles.

Mr. Charles B. Shattuck of Los Angeles, a member of the commissioner's advisory board appointed by Governor Warren, is president of the national association this year and Mr. Frank MacBride, prominent Sacramento realtor, heads the state organization.

All licensees throughout the State are eligible to attend these conventions and, in the commissioner's opinion, every licensee should avail himself of the opportunity of attending, if at all possible. The conventions will afford an exceptional opportunity to keep abreast of latest real estate developments—both national and local.

The national association can convene in California only periodically, and this year its meeting offers a particularly fine program with numerous leaders in the real estate field and outstanding authorities from all over the Nation participating in the discussions.

ing; a qualified acceptance is a new proposal."

It is important for real estate brokers to remember the court's statements.

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