



Real Estate Bulletin

Official Publication of the California Division of Real Estate

RONALD REAGAN, *Governor*

Fall 1967

BURTON E. SMITH, *Commissioner*

Governor Reagan Names Geldermann to State Real Estate Commission

Governor Reagan has appointed Harlan S. Geldermann of Danville as a member of the State Real Estate Commission to fill the unexpired term ending January 15, 1970, of John H.



H. S. GELDERMANN

Tolan of Berkeley, who resigned to accept the responsible post of Assistant Regional Administrator for Program Coordination and Services, U.S. Department of Housing and Urban Development.

Mr. Geldermann became licensed as a real estate broker even before completion of his college career at Stanford University, his formal education having been interrupted by service as a submarine officer in the U.S. Navy. Graduating with a B.A. degree in economics in 1947, he entered into a partnership with his father operating a real estate office in Danville.

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1967 Legislature Makes Changes in License Law

All of the bills relating to real estate licensing and practice, introduced at the instance of the commissioner, were signed into law by Governor Reagan and become effective on November 8, 1967. An exception to the effective date is SB 886, which raises real estate license fees \$10 over a four-year period. That bill will go into effect on January 2, 1968.

In the previous issue of the *Bulletin* the provisions contained in AB 1175, AB 1176 and AB 1179 were discussed, and the following is a summarization of the balance of the DRE departmental packet.

SB 698. Adds Section 10081.5 of the Business and Professions Code and amends Section 10086. Effect: Modifies the five-day notice requirement for injunctive relief insofar as commingling or conversion of trust funds is involved; and establishes that subdivision desist and refrain authority also relates to out-of-state subdivisions.

SB 725. Amends Section 10470 and adds Section 10470.1. Effect: Reduces from \$400,000 to \$200,000 the minimum balance in the Recovery Fund which would signal a rise in renewal broker and salesman license fees—\$10 and \$5, respectively; permits the Real Estate Commissioner to transfer bal-

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MAJOR CHANGE IN NEW SALESMAN LICENSE PROCEDURES

A major change in procedures for applicants for real estate salesman license becomes effective on January 1, 1968. After that date, the initial step for the applicant is to fill out and forward with the examination fee (\$10) a four-part examination application card which can be obtained at any DRE office and other points, including many local board offices.

The applicant is scheduled for examination and if he passes the test, he is entitled to file the application for license giving therein the usual details concerning his background and complete with signature of his sponsoring broker. This application for a four-year license is filed with a \$50 fee.

No Cash to Be Accepted at DRE Branch Offices

Cash for license fees, other license transactions and publications, including the *Reference Book*, will not be accepted at Division of Real Estate branch offices following October 31, 1967. This change in procedure will result in a substantial saving by eliminating accounting and banking functions at the branch offices, concentrating them in the principal office in Sacramento.

Requests for license changes or applications for license or orders for publications can be sent directly to the Division of Real Estate, Box 2407,

111 Capitol Mall Building, Sacramento, California 95814, along with check or money order in the appropriate amount.

The licensee or applicant for license will still be welcome at any district office of the Division of Real Estate and can there fill out the form or forms incident to his transaction, leaving them with his check or money order. The branch office will forward each day's collection of such documents to the Sacramento office.

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REAL ESTATE BULLETIN

Official Publication of the
California Division of Real Estate

Fall 1967

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DIVISION OF REAL ESTATE

STATE OF CALIFORNIA
RONALD REAGAN, Governor

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Real Estate Commissioner

JOHN E. HEMPEL
Chief Assistant Commissioner

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DESIST AND REFRAIN ORDERS

Issued for the Period Between May 25,
1967, and August 31, 1967

Number of orders	Violations
6	IN-STATE Sale of real property securities without permit and/or failure to comply with all applicable statutes and regulations.
13	Failure to comply with California subdivision requirements.
9	OUT-OF-STATE Failure to provide for subdivision public report, promised recreation facilities, proper permit or otherwise meet requirements of subdivision law.

Disciplinary Action—March—July 1967

NOTE: A list of actions is not published in this Bulletin until the 30-day period allowed for court appeal has expired; or if an appeal is taken, until a final determination of the court action. Names of persons to whom licenses are denied upon application are not published.

REB—Real estate broker
RREB—Restricted real estate broker

RES—Real estate salesman
RRES—Restricted real estate salesman

Licenses Revoked During March—July 1967

Name	Address	Effective date	Violation R.E. Law/Regulations
Robinson, Donald Christian (RES)	549 Castro St., San Francisco	3/ 1/67	10177(b)
(Right to restricted license after 90 days on conditions)			
Wahlen, Charles Emory (REB)	725 Webster St., San Francisco	3/ 1/67	10177(b) (f)
dba Coast Urban Renewal (Right to RREB on conditions)			
Blakeney, F. Keith (REB)	3838 Grand Ave., Oakland	3/ 6/67	10176(e) (i), 10177(d) (f) (j); 2830, 2831, 2831.1, 2832
dba Harvard Management Co. (Right to RRES license on conditions)			
B I I R E Corporation	266 Lasky Dr., Beverly Hills	3/ 7/67	10145, 10176(a) (e) (i), 10177(f) (j), 10234; 2830
dba Beverly Hills Real Estate Co., Stuart Jerome Cohen, Pres.			
Cohen, Stuart Jerome (REB)	266 Lasky Dr., Beverly Hills	3/ 7/67	10145, 10176(a) (e) (i), 10177(f) (j), 10234; 2830
Kaplan, Jerold Sheldon (RES)	1252 S. La Cienega Blvd., L.A.	3/ 7/67	10177(b) (f)
(Right to RRES license on conditions)			
Skilern, Milton Wallace (RES)	107 15th St., Newport Beach	3/ 7/67	10177(b) (f)
Tsumosa, George Steve (RES)	Apache Dr. & Hwy. 50, Tahoe Paradise	3/ 7/67	10177(a) (f)
(Right to RRES license on conditions)			
Hertzog, Roy Ellis (RES)	2845 Berkshire Way, Sacramento	3/21/67	10145, 10176(c), 10177(d) (f)
Tarlen, Ernest Kreis (REB)	469 Meridian Ave., San Jose	3/21/67	10177(b) (f)
(RES)	3688 Cape Cod, San Jose		
Member, Viking Loan & Invest. Co. (Right to RRES license on conditions)			
Lane, Jack (RREB)	1008 Cypress Ave., Los Angeles	3/22/67	10176(a) (i), 10177(f) (j) (k)
Phillips, Calvin (RES)	553 Stanford Ave., Los Angeles	3/22/67	10145, 10176(c) (i), 10177(d) (f) (j); 2832
(Right to RRES license on conditions)			
Polk, Hilary Christella (REB)	2nd & D, Bombay Beach	3/28/67	10176(i), 10177(f) (j)
(Right to RREB license after 45 days on conditions)			
(Respondent shall abstain from acting as a REB for 90 days from date of decision)			
Calhoun, Clarence Diment (REB)	7823 Westminster Ave., Westminster	4/ 4/67	10176(e) (i), 10177(d) (f) (g) (j); 2831, 2831.1, 2832, 2832.1, 2950(d)
(RES)	1537 Pacific Ct., Anaheim		
(Right to RRES license on conditions)			
Moore, Willie Thomas (REB)	2076 Hayes St., San Francisco	4/ 4/67	10145, 10176(c) (i), 10177(d) (f) (j); 2831, 2831.1, 2832
dba The Cosmopolitan Real Estate Co. (Right to RREB license on conditions)			
Templeman, Elmer Ernest (REB)	469 A St., Hayward	4/ 4/67	10145, 10176(c) (i), 10177(d) (f); 2832
Lisco Corporation	1550 N. Garey Ave., Pomona	4/11/67	10145, 10176(i), 10177(d) (f) (j); 2830
Loyalty Loan & Invest. Co., Inc.	1550 N. Garey Ave., Pomona	4/11/67	10145, 10176(i), 10177(d) (f) (j); 2830, 2833, 2950(f) (g) (i)
Noel, Norman Humphrey (RES)	2045 Nichols St., Pomona	4/11/67	10145, 10176(i), 10177(d) (f) (j); 2830
(Right to RRES license)			
Powell, Roderick Hiram (RES)	2358 E. Main St., Ventura	4/11/67	10177(a) (f)
(Right to RRES on conditions)			
Anderson, Robert Paul (REB)	701 E. Whittier, Whittier	4/12/67	10145, 10176(c) (i), 10177(d) (f); 2830, 2832
dba Thunderbird Realty			
Balfain, Ralph Clarence (RRES)	501 Monument Blvd., Concord	4/12/67	10177(d) (k); 2754
Blake, Leonard Erve (REB)	12972 San Pablo Ave., Richmond	4/12/67	10145, 10176(c) (i), 10177(d) (f); 2831, 2831.1
(Right to RREB license on conditions)			
Stanley, Edgar Alfred (RES)	160 Adelaide St., Concord	4/12/67	10177(b) (f)
Uribe, Jaye Marshall (REB)	5480 E. Beverly Blvd., Los Angeles	4/12/67	10148, 10177(d) (f) (j); 2831, 2831.1
dba Del Mar Real Estate (Stayed 3 yrs. on conditions)			
Andrews, Edward S. (REB)	6755 Atlantic Ave., Long Beach	4/18/67	10085, 10145, 10146, 10176(i), 10177(d) (f); 2971
dba Parade Investments			
Buezdicker, Dorothea L. (RES)	2162 Sacramento St., Redding	4/18/67	10177(f) (i)
Cookerow, Martin William (RREB)	817 S. Gretna Green Way, L.A.	4/18/67	10177(b) (f) (k)
Glaze, Thomas (RES)	4441 W. 165th St., Lawndale	4/18/67	10177(b) (f)
Hauschka, George (RES)	15203 Fonthill Ave., Lawndale	4/18/67	10177(b) (f)
Wilson, George Swift (REB)	1563 E St., San Bernardino	4/18/67	10176(c) (i), 10177(d) (f) (j); 2950(f)
Wilson Mortgage Co. (Right to RREB license after 3 mos. on conditions)			
Wilson Mortgage Company	1563 E St., San Bernardino	4/18/67	10176(c) (i), 10177(f) (j)
(Right to RREB license after 3 mos. on conditions)			
Cable, Elroy Leland (REB)	Sierra Rd., Oakhurst	4/19/67	10176(a) (g)
Lochman, Emil Leonhart (RES)	13743 Victory Blvd., Van Nuys	4/19/67	10177(b) (f)
(Right to RRES license on conditions)			
Shaw, Katherine (RES)	849 S. Plymouth Blvd., L.A.	4/19/67	10177(b) (f)
Davis, Steve James (RES)	2501 Foothill Blvd., Oakland	4/20/67	10176(a) (i), 10177(d) (f); 2832
Adair, Gilbert Felix (REB)	254 N. Capitol Ave., San Jose	4/25/67	10145, 10176(e) (i), 10177(d) (f)
(Right to RREB license after 30 days on conditions)			
Abatino, Victor Nicholas (RES)	2203 W. Olive Ave., Burbank	4/27/67	10137, 10176(g) (i), 10177(d) (f) (j)
Miller, Gordon Grant II (RES)	3950 W. 226th St., Torrance	5/ 2/67	10146, 10176(i), 10177(d) (f) (j); 2970, 2971, 2973, 2974
(Right to RRES license)			
Nelson, Irene Cox (RES)	22279 Ybarra Rd., Woodland Hills	5/ 2/67	10177(d) (f); 2811
Daniels, Leonard (RES)	719 N. 42nd, San Diego	5/ 9/67	10177(f) (i)
Payne, Robert Evert (REB)	3442 E. Michigan, Fresno	5/ 9/67	10177(b) (f)
(Stayed 5 years on conditions)			
Barker, Richard Jay (REB)	280 S. Beverly Dr., Beverly Hills	5/11/67	10177(b) (f)
(Stayed 2 years on conditions)			
Rankin, Betty Henrietta (RES)	23906 Ocean Ave., Torrance	5/11/67	10177(a) (f)
(Stayed 3 years on conditions)			
Rettino, Ernest Anthony (REB)	1801 Ave. of the Stars, Los Angeles	5/15/67	10085, 10146, 10176(i), 10177(d) (f) (j); 2970, 2971, 2972
Ass't. Sec. of Manhattan Mortgage Co., Inc.	12444 Victory Blvd., Rm. 508, North Hollywood		
Ass't. Sec. of Senate Mortgage Co., Inc.	12444 Victory Blvd., Rm. 514, North Hollywood		
Carter, Memphis (RES)	2645 S. Normandie Ave., Los Angeles	5/16/67	10130, 10145, 10146, 10176(a) (e) (i), 10177(d) (f) (j)
Sherriff, Frances (RES)	2325 Bella Vista Dr., Vista	5/19/67	10130, 10137, 10175, 10177(c) (d) (f); 2770
(Right to RRES license after 60 days on conditions)			
Fowler, Robert Terry (REB)	2200 Loara. Apt. 1, Anaheim	5/25/67	10145, 10176(i), 10177(d) (f) (j)
Keller, Marvin Douglas (RREB)	3814 Niles St., Bakersfield	5/25/67	10130, 10177(d) (f) (i)
The Ashton-Worthy Corp.	910 S. Brookhurst St., Anaheim	5/25/67	10145, 10176(i), 10177(d) (f) (j)
dba The Ashton Co., Robert Terry Fowler, Pres.			
Kaye, Beatrice (RES)	1045 S. Crescent Hts., Los Angeles	5/29/67	10177(b) (f)
(Right to RRES license on conditions)			

Licenses Revoked During March-July 1967—Continued

Nonlicensed

DA CONVICTS RENTAL AGENT

Activities falling within the purview of Section 10130 of the Business and Professions Code, which defines activities for which a real estate license is required, brought on the arrest of a Santa Clara County man charged with operating without a license.

Investigation revealed he had acted as an agent in renting approximately 1,000 scattered apartments in the San Jose area. In some cases, he had continued the collection of rents.

The Santa Clara County District Attorney prosecuted and the man was found guilty on five counts of acting as a real estate broker without being so licensed. He was sentenced to 90 days on each count, sentences to run concurrently. His notice of appeal was denied, as he unsuccessfully tried to establish he was acting in no more than the capacity of the usual apartment house manager.

Note: Section 10131.01, added to the B&P Code in 1967, specifically exempts from the license requirement managers of hotels, motels, auto and trailer parks, resident managers of apartment buildings, complexes and courts, and such managers' employees who for compensation perform certain acts relating to rentals and leases.

Misrepresentation in Sale of Income Properties

The commissioner has been receiving complaints that some methods used in the sale of income properties appear to foster misrepresentation and false advertising and that such practices may be coming more prevalent.

Analysis indicates that some selling agents fail to consider vacancy factors, reserves for replacement of furniture and equipment and maintenance expenses when advertising yields on investment, or in the financial analysis presentations and listings shown to prospective buyers. Failure to consider such items of expense naturally inflate the true yield on the investment. It can be considered a form of false advertising which can subject a licensee to disciplinary action and may constitute an actionable misrepresentation.

Name	Address	Effective date	Violation R.E. Law/Regulations
Domeny, Harold H. (REB)	832 York St., Oakland	6/ 8/67	10145, 10176(e) (i), 10177(d) (f)
(Right to RREB license on conditions)			
Coffin, Sherman LeRoy (RES)	1507 Penmar Ave., Venice	6/13/67	10177(a) (f)
Ropp, Basil Duane (RES)	4151 Converse St., Fremont	6/13/67	10177(b)
Harrison, John Charles (RES)	7013½ Melrose Ave., Los Angeles	6/14/67	10177(b) (f)
(Right to RRES license on conditions)			
Ikeda, Leo Ryotaro (REB)	1333-A Sunnyvale-Saratoga Rd., dba I. K. Realty Sunnyvale	6/14/67	10145, 10176(e) (i), 10177(d) (f)
Schuck, Fred James (RRES)	642 Waller, San Francisco	6/14/67	10176(a) (e) (j), 10177(d) (f) (j)
Unity Realty, Inc.	1075 Corona Ln., Costa Mesa	6/14/67	10177(f), 10179
Wilks, John Edward II (REB)	1075 Corona Ln., Costa Mesa	6/14/67	10177(f) (j), 10179
Pres. of Unity Realty, Inc.			
Johnson, Robert Earle (REB)	145 S. Verdugo Rd., Glendale	6/15/67	10176(e), 10177(d) (f) (j); 2831
dba R/E Johnson Co.			2831 J, 2832
Carroll, Wilson Eugene (RES)	2141-C W. La Palma Ave., Anaheim	6/20/67	10177(b) (f)
(Right to RRES license on conditions)			
Goss, James Robert Bell (REB)	3000 W. Coast Hwy., Newport Beach	6/20/67	10176(g), 10177(d) (f) (j)
Morris, Samuel Jacob, Jr. (REB)	8365 Outlook Ave., Oakland	6/27/67	10176(e) (i), 10177(d) (f); 2832
(Right to RREB license after 90 days on conditions)			
Keymenandt, Louis Desura (RES)	6003 1st Ave., Sacramento	6/27/67	10176(a) (i), 10177(f)
(Right to RRES license on conditions)			
Paterson, Dorothy Redford (REB)	2001-A S. Hill St., Oceanside	7/ 5/67	10176(g), 10177(f)
(RES)	1019 Shafer St., Oceanside		
Bradshaw, Margaret Primrose (RES)	4005 Foothill Blvd., La Crescenta	7/11/67	10177(b) (f)
(Right to restricted license on conditions)			
Mendenhall, Clarence Herbert (RES)	1251 Glenwood Ave., Anaheim	7/11/67	10177(b) (f)
Saenz, Manuel Joseph (REB)	2015 W. Manchester Ave., L.A.	7/11/67	10177(b) (f)
(RES)	3243 Cedar, Long Beach		
Balch, Leon O'Dell (REB)	512 El Camino Real, Redwood City	7/18/67	10177(f) (j)
dba Key Realty (Right to restricted license on conditions)			
Lungo, Guy Anthony (RES)	1325 E. Portner Ave., West Covina	7/18/67	10137, 10176(i), 10177(d) (f) (j)
Auerbach, Leonard (RES)	3341 W. Olympic Blvd., Los Angeles	7/19/67	10142, 10175, 10176(a) (b) (d) (i), 10177(d) (j); 2902
Hilton, Kenneth A. (RRES)	9040 Harratt St., Los Angeles	7/19/67	10130, 10137, 10142, 10175, 10176(a) (b) (c) (d) (f), 10177(d) (j); 2902
Pegg, Thomas Moore (RES)	101 S. Hillcrest Blvd., Inglewood	7/20/67	10177(a) (b) (f)
Bolanos, Edgar (REB)	923 Lincoln Way, San Francisco	7/25/67	10176(a) (b) (e) (i), 10177(d) (f) (j); 2832
Welch, Clinton William (REB)	5005 Woodminster Ln., Oakland	7/25/67	10145, 10176(e) (i), 10177(d); 2832
Turkmany, George (REB)	5505 Telegraph Ave., Oakland	7/27/67	10177(f) (j)
dba Idora Realty Co.			
dba Temescal Invest. Co.	5503 Telegraph Ave., Oakland		
(Right to restricted license on conditions)			

Licenses Suspended During March-July 1967

Name	Address	Effective date	Violation R.E. Law/Regulations
Langley, Arlington Raymond	800 N. 1st St., San Jose	3/ 6/67	10156.7
(RREB), dba A. R. Langley Co.		Indefinitely	
Jones, Albert Luther (REB)	202 N. Canon Dr., Beverly Hills	3/ 7/67	10160, 10162, 10177(d) (f)
		16 days	
Ramos, Ida (REB)	8881 Poplar Ave., Cotati	3/ 7/67	10177(d) (h)
		15 days	
Swendeman, Robert Earl (REB)	242 Shoreline Hwy., Mill Valley	3/ 7/67	10130, 10137, 10177(d)
(RES)	214 Reed St., Mill Valley	15 days	
Chestnut, Charles Ivan (REB)	139 E. Commonwealth Ave., Fullerton	3/14/67	10175, 10176(a) (i), 10177(d) (f) (j), 10237.3, 10237.8, 10238.3
dba C. J. C. Invest. Co.		90 days	
Cournale, Clyde Charles (REB)	6100 Geary Blvd., San Francisco	3/21/67	10177(g)
dba Cournale & Co. (Stayed permanently)		2 days	
Haws, Maurice Arvey (REB)	553 Stanford Ave., Los Angeles	3/22/67	10177(d) (f) (g) (h); 2731
dba Dow Invest. Co. (Stayed 3 years on conditions)		180 days	
Brown, Gertrude Needham (REB)	3219 Cahuenga Blvd., Hollywood	3/22/67	10145, 10176(a), 10177(d) (g); 2832.1
		10 days	
Alward, Ben Freeman (REB)	38162 Glenmoor Dr., Fremont	4/ 4/67	10176(a) (e), 10177(d); 2832
(Stayed permanently)		30 days	
Glenmoor Sales Agency, Inc.	38162 Glenmoor Dr., Fremont	4/ 4/67	10176(a) (e), 10177(d); 2832
Ben Freeman Alward, Vice Pres. (Stayed permanently)		30 days	
Jackson, Rice Robinson, Jr. (RES)	835 Madonna Way, Los Altos	4/ 4/67	10176(a) (b) (c) (i), 10177(f) (j)
		45 days	
Kramer, Robert Edward (REB)	1192 Cambera, Santa Ana	4/ 4/67	10145, 10160, 10162, 10164, 10177(d)
dba Commercial Properties Realty		6 mos.	(e) (f)
Mohr, Russell Edward (REB)	4856 El Camino Real, Los Altos	4/ 4/67	10176(a) (b) (c) (i), 10177(f) (j)
		45 days	
Coffin, Sherman LeRoy (RES)	10889 Wilshire Blvd., Los Angeles	4/ 7/67	10177.1
		Indefinitely	
Huerta, Lawrence (REB)	7000 Carriage Dr., Citrus Hgts.	4/12/67	10162, 10177(d)
(After 30 days from effective date of decision, remainder or any portion thereof, may be stayed on conditions)		44 days	
Magnuson, Arthur George, Jr. (REB)	Cor. Cedar Dr., State Hwy 4, Hathaway Pines	4/12/67	10177(f)
(Stayed 3 yrs. on conditions)		90 days	
Karp, Joseph (REB)	4339 California St., San Francisco	4/13/67	10177(d) (f), 10237.3, 10237.4, 10238.3
dba California Realty Invest. Co. (Stayed permanently)		10 days	
Karp, Philip (REB)	4339 California St., San Francisco	4/13/67	10177(d) (f), 10237.3, 10237.4, 10238.3
(Stayed permanently)		10 days	
Soeller, Clemens Frank (REB)	227 S. Grand Ave., Anaheim	4/17/67	10475
		Indefinitely	
Johnson, Mervin Burton (REB)	511 S. Brookhurst Rd., Fullerton	4/18/67	10176(a) (b) (c) (i), 10177(c) (d) (f) (j)
(Last 4 mos. stayed 1 yr. on conditions)		6 mos.	
Northwestern Realty Co.	511 S. Brookhurst Rd., Fullerton	4/18/67	10176(a) (b) (c) (i), 10177(c) (d) (f) (j)
Mervin Burton Johnson, Pres. (Last 4 mos. stayed 1 yr. on conditions)		6 mos.	
Eubank, James Rollins (REB)	2015 Sabrina, Corona del Mar	4/19/67	10130, 10164, 10175, 10177(c) (d) (f) (g) (h); 2770, 2771, 2772
Fletcher, Allen Edward, Jr. (REB)	10479 N. White, San Jose	4/19/67	10162, 10177(d)
(After 30 days from effective date of decision, remainder or any portion thereof may be stayed)		193 days	
LeNon, Maxine Lillian (REB)	1414 20th St., Santa Monica	4/19/67	10130, 10163, 10164, 10175, 10177(c) (d) (f) (g) (h); 2770, 2771, 2772
Millen, Louis DeRyk (REB)	1114 Orange Ave., Coronado	4/19/67	10145, 10176(i), 10177(d) (f) (j); 2830
		1 yr.	

RESEARCH STUDY LAUDED

Dr. Charles F. Kunsemiller of Chico State College, in his research study, *Management Practices and Personality Traits of Selected Small Real Estate Brokers in Northern California*, sought to compare the management practices of a "successful group" of brokers with a "less successful" group, together with their personality characteristics, to determine identifiable differences between the groups. His purpose was twofold: to develop a self-examination "mirror" for the broker and to discover those determinants of successful operation which can be emphasized in educational programs.

A group of officers and directors of the Sacramento Real Estate Board had occasion to review Kunsemiller's report, and the board's president said: ". . . we have found it extremely helpful, and I'm sure that many of the graphs and charts will be of extreme value to all of us in running our individual businesses."

A limited number of copies of this report are available from the DRE's principal office, P.O. Box 2407, Sacramento 95811, at \$1.50 per copy, plus 5 percent sales tax.

In Memoriam

Fellow employees were saddened at the recent passing of Deputies Ludwig L. Selinger and Marvin H. Wiegman. They will be remembered by many with affection and esteem.

LUDWIG L. SELINGER was a native of Czechoslovakia and came to this country at a very early age. Prior to moving to California in 1948 he practiced law in Chicago, Illinois. He entered state service in November 1961 as a deputy real estate commissioner and was assigned to the examination section. In 1962 he transferred to the Sacramento district office, becoming a senior deputy in 1966.

He was followed shortly in death by his wife, leaving two married children and three grandchildren.

MARVIN H. WIEGMAN was born in Iowa, where he later engaged in the legal and banking business. He was supervising deputy in charge of the Oakland office since 1953, and had been with the Division of Real Estate since 1947.

He is survived by a son and three grandchildren who reside in Pleasant Hill.

Licenses Suspended During March-July 1967—Continued

Name	Address	Effective date	Violation R.E. Law/Regulations
Plummer, Geo. (REB)..... (Stayed permanently)	106 S. Main St., Bishop.....	4/25/67 15 days	10177(d), 11010; 2795
Silvers, "Steve" Barry Charles..... (REB) (Stayed permanently)	2160 Royale Rd., Sacramento.....	4/25/67 30 days	10162, 10177(d)
Berry, Margaret Elizabeth (REB)..... (After 30 days from effective date of decision, remainder or any portion thereof, may be stayed on conditions)	1105 Wilshire Blvd., Los Angeles.....	5/ 2/67 223 days	10160, 10162, 10164, 10165, 10177(f)
Smith, H. Albert (RES)..... (Stayed permanently)	671 Ehrhorn Ave., Mountain View.....	5/ 9/67 15 days	10177(b)
Tripodes, George Peter (REB)..... (Last 15 days stayed permanently)	4168 Piedmont Ave., Oakland.....	5/ 9/67 30 days	10176(e), 10177(d) (f) (g); 2830, 2832, 2832.1
Barnsley, Edward Donald..... Pres. of Barnsley and Marsh, Inc. (Last 15 days stayed permanently)	1620 El Camino Real, San Carlos.....	5/10/67 30 days	10176(a), 10177(g)
Pegg, Thomas Moore (RES).....	101 S. Hillcrest Blvd., Inglewood.....	5/22/67 Indefinitely	10177.1
Alba, Wayne Hunter (REB)..... dba Keystone Realty Pres. of Bay Town Realty, Inc.	4014 Geary Blvd., San Francisco..... 39 Fortuna Ave., San Francisco.....	5/23/67 30 days	10177(f) (j), 10301(g) (i), 10176(g) (i)
Artavia, Joel (REB).....	1263 Madison Ave., El Cajon.....	5/23/67 30 days	10145, 10176(a), 10177(d); 2830
Brookey, James M., Co..... James Monroe Brookey, Jr., Pres. (First 90 days stayed 3 years on conditions)	8146 Chipwood Way, Orangevale.....	5/23/67 120 days	10176(g), 10177(f) (g)
Chuchon, Stuart Pierre (RES)..... (Stayed 3 yrs. on conditions)	Rt. 2, Box 2575, Combie Rd., Auburn.....	5/23/67 120 days	10142, 10176(a), 10177(d) (f)
Diamond, Arthur (REB)..... dba Diamond Realty (Last 150 days stayed 3 yrs. on conditions)	6314 Woodman Ave., Van Nuys.....	5/23/67 6 mos.	10176(a) (g) (i), 10177(d) (f) (j)
Dyson, William Ernest (RES)..... (Right to renew)—(Suspension to commence on date of receipt of application and late renewal fee)	Star Rt., Box 7, Folsom.....	5/23/67 120 days	10176(g), 10177(f) (g)
Weddigen, Robert Bruce, Jr. (REB)..... (Stayed permanently)	7140 Thomas Dr., North Highlands.....	5/23/67 15 days	10177(d); 2900, 2901
Williams, Clyde W. (REB)..... (Last 30 days suspension stayed 2 yrs.)	3415 W. 43rd St., Los Angeles..... 3430 Loma View Dr., Altadena.....	5/24/67 60 days	10145, 10176(e), 10177(d) (f); 2832
Larson, Oscar Emanuel (RES).....	696 El Camino, North Sacramento.....	5/25/67 195 days	10176(a)
Bay Mortgage Corporation..... John Hibbett DeWitt, III, Pres.	3520 Geary Blvd., San Francisco.....	6/ 1/67 10 days	10177(d) (g) (h), 10238.3
Bosworth, Lyle Edwin (REB)..... (RES)	4684 Upland Dr., Richmond.....	6/ 1/67 10 days	10177(d), 10240; 2842.5
DeWitt, John Hibbett III (REB).....	124 Laurel Pl., San Rafael.....	6/ 1/67 10 days	10177(d) (g) (h), 10238.3
Hull, Dennis Eugene (REB).....	1098 Irving St., San Francisco.....	6/ 1/67 3 days	10162, 10177(d)
Wilkinson, Jimmy Joe (RES)..... (After 30 days from date of decision, remainder or any portion thereof, stayed on conditions)	1951 Palatka Ln., Hayward.....	6/ 1/67 92 days 6/ 6/67	10177(d); 2754
Boney, Melicent Viola (REB)..... dba The Service Center of Ind. & Commercial Real Estate (After 30 days from date of decision, remainder or any portion thereof, stayed on conditions)	4729 San Vicente Blvd., L.A.....	1 yr. 231 days	10164, 10165; 2771
Baer, Harold Edward Scott (REB).....	970 Bel Air Rd., Los Angeles.....	6/13/67 45 days	10085, 10177(d) (f); 2971
Blackwell, Sherwin Stephen (REB)..... (Last 15 days stayed permanently)	2396 University Ave., Palo Alto.....	6/13/67 30 days	10145, 10176(e), 10177(d) (f)
Blackwell, Sherwin Stephen (RES).....	2018 Addison, East Palo Alto.....	6/13/67 30 days	10145, 10176(e), 10177(d) (f)
Butcher, Grant, Jr. (RREB)..... (Stayed 1 yr. on conditions)	2 Hillside Blvd., Daly City.....	6/13/67 30 days	10177(b)
Cullen, John Richard (RES).....	14440 Big Basin Way, Saratoga.....	6/13/67 30 days	10145, 10176(a) (e), 10177(d); 2832
Hill & Co. (RE Partnership)..... Joseph Valentine Costello, Jr., Mem., Charles Burke Strain, Mem., John Lewis Levinsohn, Mem. (Stayed permanently)	2107 Union St., San Francisco.....	6/13/67 30 days	10137
Steinberg, Hyman David (REB).....	439 S. LaCienega Blvd., Los Angeles.....	6/13/67 45 days	10085, 10177(d) (f); 2971
Quistgard, Hunter C. (RREB).....	8141 Redwood Hwy., N. Novato.....	6/16/67 Indefinitely	10156.7
Schoeffler Realty Co..... William Robert Schoeffler, Pres., (Stayed permanently)	4781 Manzanita Ave., Carmichael.....	6/19/67 90 days	10176(a) (i), 10177(f)
Schoeffler, William Robert (REB)..... (Stayed permanently)	4781 Manzanita Ave., Carmichael.....	6/19/67 90 days	10177(f) (j)
Lee, Jack Quai Shan (REB)..... (Last 25 days stayed permanently)	861 Grant Ave., San Francisco.....	6/20/67 30 days	10177(h)
Oubre, Jerome Terriel (RES).....	4620 Mission St., San Francisco.....	6/24/67 60 days	10176(a) (i), 10177(f) (j)
Maroot, John (REB).....	821 Whitley Ave., Corcoran.....	6/27/67 10 days	10177(d) (f), 11010, 11018.1, 11018.2; 2795
Watkins, Robert Lee (RRES).....	21572 Mission Blvd., Hayward.....	6/27/67 60 days	10176(a) (i)
Smith, Frederick Lee (RREB)..... dba Equity Trust Deed Co.	11066 Hole Ave., Riverside.....	6/29/67 Indefinitely	10156.7
Mason, Claude Crawford (RES).....	6363 Sunset Blvd., Los Angeles.....	7/ 7/67 Indefinitely	10177.1
Butler, Eugene Lee (REB)..... (Stayed for 1 year on conditions)	1208 Artesia Blvd., Hermosa Beach.....	7/11/67 60 days	10177(b) (f)
Read, Dorothy H. (RES).....	9685 Santa Monica Blvd., Beverly Hills.....	7/11/67 10 days	10177(d) (f), 10242(c), 10244
Redman, Jesse Frank (REB)..... dba Mitchell-Redman, Realtors	22859 Mission Blvd., Hayward.....	7/11/67 15 days	10177(g), 2835
Jordan, Johnnie, Jr. (RREB).....	2145 1/2 W. Manchester, Los Angeles.....	7/13/67 Indefinitely	10156.7
Doctor, Arthur (REB)..... Pres. of A D Mtge., San Carlos Loans Inc. dba First Nat'l Invest. Co. of Calif. Vice Pres. of Intercontinental Financial Corp.	3322 S. LaCienega Blvd., Los Angeles..... 733 Laurel, San Carlos.....	7/19/67 1 year 4 days	10175, 10176(c), 10177(d) (g) (h)
Crossan, L. B. (REB)..... Pres. of Trans Pacific Mtge. Corp.	2623 Saturn Ave., Huntington Park.....	7/20/67 10 days	10145, 10176(c), 10177(d)
Yee, Edward Lee (REB)..... (After 30 days of decision, remainder or portion thereof may be stayed on conditions)	1239 Noriega, San Francisco.....	7/27/67 1 year 268 days	10162, 10177(d)

A CRITIQUE

Economist Questions Conventional Capitalization Formulae

Current Practices in Income Property Appraisal—A Critique, is the title of a new research report by Richard U. Ratcliff, professor of land economics, University of Wisconsin, who was a visiting professor last year at the University of California, Berkeley. This analysis of conventional appraisal methodology in applying the income approach to income-producing real estate is based upon the capitalization formulae encountered in a representative sample of 84 appraisal reports by leading appraisers.

It is Professor Ratcliff's finding that conventional capitalization formulae are unlikely to produce a value figure which conforms to "market value." The residual models as often presented in text materials do not simulate the market since they fail to include many of the demand and supply factors which determine market price, Ratcliff contends. It follows that these widely used capitalization models cannot be expected to result in acceptable estimates of market-determined prices.

Use of Income Multipliers

Another interesting finding of the study concerns the high incidence in the appraisal reports of the use of direct conversion ratios such as the gross or net income multiplier. The close correspondence between property values as estimated by the use of these ratios and the final appraised values recorded in the reports suggests that appraisers rely heavily on the direct conversion ratio in arriving at the estimate of value. An exploratory test of a number of samples of recent sales of income properties in which regression equations were calculated based upon gross and net income tended to confirm the hypothesis that direct conversion ratios can be powerful instruments for predicting the most probable selling price of income properties.

On the basis of his findings and analysis, Professor Ratcliff concludes that the conventional **income approach and the cost-less-accrued-depreciation approach should be regarded as undependable formulae for predicting the most probable selling price of income property. Basic reliance must be placed on market-determined evidences of price behavior and direct conversion ratios hold much promise as useful and objective quantitative expressions.** The application of modern analytical methods of statistical in-

ference to such data and to other empirical measures of market behavior hold promise of substantial timesaving and increased accuracy for the appraiser.

The report can be ordered from the Center for Real Estate and Urban Economics, 260 Stephens Memorial Hall, University of California, Berkeley 94720. Price \$1.50, plus 5 percent sales tax.

The DRE Experiences Organizational Changes

The commissioner has reviewed DRE procedures with a view toward increased efficiency and institution of such economies as may be accomplished without adversely affecting the public interest.

Various surveys were completed in August and good progress has been made in implementing most of the recommended changes. A few will require legislative action or are of a long-range nature. The commissioner is confident that the organizational changes will constitute a step forward in the DRE's operational techniques, and contribute to a sound fiscal position.

Administrative Changes

Three regulatory areas are defined: northern, central and southern. Important administrative changes include assignment of J. P. Mahoney, formerly Chief Legal Officer, as Assistant Commissioner, Legal and Compliance, who will coordinate all regulatory and subdivision operations; of Gerald E. Harrington, formerly Assistant Commissioner, Regulatory Operations, as Assistant Commissioner for Administration and Education, who will coordinate activities which are not regulatory in nature to give added emphasis to the commissioner's interest in the developing educational program and

New CREA Deposit Receipt Is Available

After several years of extensive and thorough research by representatives of the California Real Estate Association and the State Bar of California, a new deposit receipt has been developed entitled *Real Estate Purchaser Contract and Receipt for Deposit*. The form has been approved by the directors of both organizations.

The new form has been copyrighted by CREA and may be obtained from that organization located at 520 South Grand Ave., Los Angeles 90017.

OPTIONEE MAY OBTAIN PUBLIC REPORT AS A SUBDIVIDER

A recent DRE policy change enables an optionee to obtain a preliminary or final subdivision public report, provided he meets certain conditions. In addition to the usual basic required documents, an optionee must furnish a copy of the option, pay the appropriate fee and furnish a preliminary title showing the condition of the title to the lots involved.

The preliminary title report should also show either (1) title was taken to at least one lot included in the option agreement or (2) the option agreement was recorded. Since an option is considered a blanket encumbrance, all moneys paid by the buyer or lessee must be impounded in accordance to Section 11013.2(a) of the Subdivided Lands Act. **To prevent the buyer's or lessee's funds from being tied up for an unreasonable length of time, a time limit must be set during which the optionee will exercise the option or return all moneys.**

its impact on the elevation of standards and improvement of services of real estate practitioners; and of Harold H. Wells, formerly Assistant Commissioner, Licensing and Examinations, to Assistant Commissioner, Central Regulatory Area.

Operational expenses have been sharply cut by a decrease in personnel. The reduction has largely been met through attrition and abolishment of some authorized but unfilled positions.

Section 10176(d)

Acting Without Knowledge or Consent of All Parties

Without the knowledge or consent of both principals, an agent cannot act as such for both parties in the same transaction, where his activities involve an exercise of discretion, and where the interests of the principal parties are essentially adverse.

This fundamental principle in general agency law has an obvious application to real estate transactions, emphasized by its inclusion in the license law as a cause for disciplinary action (Sec. 10176(d) of the B. & P. Code). When a licensee acts as the agent of the seller, it is his duty to try to sell the property at the highest price and with terms most advantageous to the seller. Conversely, as agent of the buyer, he is bound to try to complete the purchase of the property for the lowest price, and at terms best for the buyer. By their very nature, these obligations are opposed to each other. If the licensee attempts to adhere to both duties at the same time, in the same transaction, there is a very real danger that the rights of one of the principals will be sacrificed in the interests of the other, or that neither principal will secure the benefit of a full exercise of the licensee's fiduciary obligations.

Public Policy Prohibits

Therefore, as a matter of public policy, all such transactions can be avoided by the unknowing or non-consenting principal without having to prove actual loss or injury as a result of his agent's undisclosed dual representation. The reason for this principle is to prevent the agent from putting himself in a position where he will be tempted to betray his principal.

A case in point was *McConnell v. Cowan*, 44 C 2d 805 (1955), in which the licensed real estate broker acted as agent for both lessee and lessor in negotiating a lease, receiving a commission from both without either knowing the other had paid compensation. The court found violation of the provisions of Section 10176(d), holding that where the agent assumed to act in a double capacity, one principal could avoid the transaction regardless of actual injury, even though the agent intended no wrong and the other party acted in good faith. Further, neither principal was liable for

EXAM STATISTICS		
During fiscal 1966-67 a total of 19,975 salesman license examinations were administered in six different locations in California. Volume and pass rates varied as shown below:		
	Volume percentage	Pass rate
Los Angeles	42.6	54.3
San Francisco	25.7	59.6
San Bernardino	13.4	63.9
Sacramento	7.9	55.7
San Diego	6.4	68.0
Fresno	4.0	55.7
TOTAL EXAMINATIONS		
A total of 28,761 real estate license examinations were administered during the year divided in groupings as follows:		
Salesman	69%	
First examination		51%
Reexamination		18%
Broker, basic	14%	
First examination		10%
Reexamination		4%
Broker, supplemental	17%	
First examination		12%
Reexamination		5%

NEW COMMISSION MEMBER

(Continued from Col. 1, page 813)

Currently, Mr. Geldermann is president and managing director of Geldermann, Inc., a diversified real estate firm. In recent years, he has been responsible for a substantial number of bay area subdivisions and directed the land acquisition for the San Ramon Village development which extends into both Alameda and Contra Costa Counties.

He was president of the Contra Costa Real Estate Board in 1952, and served as CREA regional vice president and chairman of the association's land development committee for several terms.

Married, he resides with his wife and three children in Contra Costa County near Danville and San Ramon.

the commission unless both knew of the dual representation, and even if one knew of it, he would not be liable if the other did not.

"RECOVERY" LAW AMENDMENT PROVIDES FOR PRORATION

The "recovery" portion of the Real Estate Education, Research and Recovery Fund is intended to underwrite payment of otherwise uncollectible court judgments against licensees in actions based upon fraud, misrepresentation or deceit in transactions in which the defendants participated as licensees.

The law contains a number of safeguards to insure that the claimant has exhausted all other legal means of collection before seeking relief from the Real Estate Commissioner and payment from the fund. Recovery by a single claimant is limited to a maximum of \$10,000; total liability of the fund in a series of judgments against an individual licensee is limited to \$20,000.

Prior to the addition of Section

REAL ESTATE LAW

The pamphlet containing the Real Estate Law and the Regulations of the Real Estate Commissioner, published by the DRE, will not be revised this year. Instead, latest changes in the law are to be noted in a supplemental insert in the current edition—January 1, 1967.

10474.5 to the Business and Professions Code by the 1967 Legislature, no provision had been made for equitable distribution of the \$20,000 maximum in a situation where a number of litigants were awarded judgments against the same licensee, with total claims in excess of the statutory maximum.

The changed law authorizes courts to order distribution of the maximum \$20,000 to claimants in an equitable manner or in the ratio that each individual claim bears to \$20,000. It prohibits the court from distributing on a priority based on time of judgments or filing of claims. It allows the Real Estate Commissioner to file a petition with the court requiring joinder of present and prospective claimants against one licensee in one action.

Interestingly, claims paid from the "Recovery Fund" to date amount to just under \$100,000.

Mr. DRE Retires After 48 Years of State Service

Gaylord K. Nye, Assistant Commissioner, Northern Regulatory Area, will retire November 1, 1967, only two months short of 49 years of continuous state service, 46 spent in the employ of the Division of Real Estate. The National Association of Real Estate License Law Officials (NARELLO) credits Nye with the longest record of service in real estate license law enforcement in the United States. He has worked under 12 Real Estate Commissioners, 2 acting commissioners and 10 Governors.

Born in Los Angeles, Gaylord's family moved to Sacramento in 1911, where he attended the public schools. After graduation from high school, he completed special courses in law and real estate.

Joins DRE in 1921

In January 1919, Nye was employed by the California State Board of Control. During this period, he helped refund license fees collected under the Real Estate Act of 1917, which was declared unconstitutional. Coincidentally, in 1921 he went to work for the Division of Real Estate then reconstituted as a licensing agency under an enactment in 1919.

In the early years, he pioneered in establishing and working out licensing and accounting procedures, and engaged in practically every activity and function within the DRE, such as setting up early examinations, grading examinations, subdivision inspections, hearings and so on.

He established and opened the Fresno District Office in 1928, and in this same year he was promoted to supervising deputy in San Francisco. On special assignment in 1931, he was in charge of the Los Angeles office for seven months.

In addition to being in charge of the San Francisco office, he was hearing officer for the Northern Area for approximately 10 years, preparing



GAYLORD K. NYE

New Fee Policy Goes Into Effect

(Continued from Col. 3, page 813)

As a ready reference to facilitate direct communication with Sacramento, the following schedule is printed.

FEE SCHEDULE

Broker license examination or re-examination—\$25; 4-year broker license—\$65 (\$75 as of January 1, 1968); late renewal—\$97.50 (\$112.50 as of January 1, 1968).

Salesman license examination or re-examination—\$10; 4-year salesman license—\$40 (\$50 as of January 1, 1968); late renewal—\$60 (\$75 as of January 1, 1968).

Real property securities dealer endorsement—\$50.

Change of address for a broker's main office license affects licenses of the salesmen in his employ. A \$4 fee must be submitted to effect the change of address on the license of each salesman.

The fee for the following transactions is \$4: reschedule license examination date; change of name or address; add or renew branch office license; add or drop fictitious name; salesman license transfer; reinstatement of inactive license; duplicate license; renewal of securities dealer endorsement.

NOTE: When more than one change applies to a particular license at the same time, only a single \$4 fee is required. Any change on a broker license, except change of address of main office, requires an additional \$4 fee for each branch office license affected.

proposed decisions for the commissioners.

When the DRE was reorganized in 1950, he was assigned as chief deputy in charge of statewide licensing with headquarters in Sacramento, and directing law enforcement activities for northern California. Transferred back to San Francisco in 1955, under the working title of assistant commissioner, he was put in charge of law enforcement for northern California.

Mr. Nye has become widely known during his many years of close association with the real estate industry and enjoys high respect for the substantial contribution he has made to the spirit of cooperation characteristic of the relations between licensees and the DRE, and his steadfast ad-

LICENSE LAW CHANGES

(Continued from Col. 2, page 813)

ance in the Recovery Fund in excess of \$400,000 to the Real Estate Fund.

SB 872. Amends and repeals various sections of the mineral, oil and gas brokerage section of the B&P Code. This bill eliminates the mineral, oil and gas salesman license status.

Non-departmental Legislation

SB 677. Repeals Sections 10177.6 and 10562.6. Effect: Repeals statutes of all administrative agencies, including the DRE, which authorized imposition of suspension or revocation of license when licensee adjudged mentally ill.

AB 495. Repeals Section 10058.5. Effect: Establishes a uniform set of rules for the conduct of meetings of state agencies, boards and commissions, including the State Real Estate Commission.

AB 375. Amends Sections 11010 and 11018. Effect: Adds to information required in a Notice of Intention to Subdivide, including details of current or proposed special district and assessment district taxes or assessments as they may pertain to tract on-site and off-site improvements or community or recreational facilities. Subdivision public report shall include such data as the commissioner determines are necessary.

Publications: Reference Book—\$3.25; Real Estate Law Pamphlet—\$1; Subdivision Manual—\$1; Research Reports—\$1.50. All California orders subject to 5 percent sales tax.

herence to fair principles and the spirit and letter of the law. He will be missed by his associates, for he has a wealth of administrative experience and background to share with them. He has been loyal to his commitments, and has worked unstintingly and intelligently. His leaving is like the passing of an era.

In the twenties he and Doris Johnson, originally from Tennessee, were married. They have a married daughter and three grandchildren. All told, the Nyes have resided in San Francisco for 34 years, and when you ask where they intend to reside after he leaves state service and they get some traveling done—you've guessed it—the City by the Golden Gate.

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SALE OF FRANCHISE MAY REQUIRE CORPORATION COMMISSIONER'S PERMIT

A recent Attorney General's opinion states that the offer or sale of a franchise, either when the franchisor is to take a passive role or if a substantial portion of the initial risk capital of the franchisor is obtained from the franchisee, is a security as defined in the Corporate Securities Law, requiring a permit from the Commissioner of Corporations.

In the first instance, passive participation implies participation in a share of the profits without active management; in the second, the franchisor uses the proceeds of the sale of the franchise to secure a substantial portion of the initial risk capital needed by the franchisor to provide goods and services to the franchisee.

However, where the franchisee participates actively in the franchised business and the franchisor has sufficient capital to provide the goods and services to the franchisee so that the price of the franchise does not constitute a contribution to risk capital of the franchisor, a security is not created under the California Corporate Securities Act and no permit is required.

Thus, it is expedient for licensees involved in any franchise transaction to make sure that the franchisor's operations do not fall within the activities requiring a permit.

In order to determine whether or not a security is involved, get in touch with any office of the California Division of Corporations.

DEPUTY REAL ESTATE COMMISSIONERS RETIRE

Josephine N. Pfaendler, Sacramento, and Harry B. Lamport, Los Angeles, recently retired from state service as Deputy Real Estate Commissioners.

Miss Pfaendler, 41 years with the DRE, was first employed in 1926, earning her appointment as a deputy in 1946. She is widely known and respected by the real estate fraternity in northern California and, as the only distaff Deputy Real Estate Commissioner, she has been much in demand for appearances before women's organizations of all kinds.

Mr. Lamport joined the DRE in 1951, retiring after 16 years of service. He has a wealth of experience in varied activities, including record-breaking track performances in his youth, and his associates will remember well the conscientious manner in which he handled his assignments as a deputy. Among the highlights of his career was the distinction of having served as the first President of the Los Angeles Junior Chamber of Commerce.

His plans include travel and maintenance of his numerous associations.

DOWNTREND IN OUTSTANDING LICENSES

In the face of generally depressed conditions in the real estate market during the past year, the overall decrease in licenses was only 6.8 percent, when figures for July 1, 1967, and July 1, 1966, are compared. The number of broker licenses increased very slightly, and the overall decline was accounted for by some 10,000 fewer real estate salesman licenses—a decrease of 11.4 percent. Inactive licenses rose from 22.8 percent to 25 percent of the total of all licenses outstanding.

Type of license	Corporations		Partnerships		Brokers		Salesmen		Branches	Total	
	Inactive	Active	Inactive	Active	Inactive	Active	Inactive	Active		Inactive	Active
Real estate	127	4,250	61	1,248	8,579	48,530	26,477	51,615	9,109	35,244	105,643
Mineral, oil and gas				1	18	44				18	45
Total	127	4,250	61	1,249	8,597	48,574	26,477	51,615	9,109	35,262	105,688
Grand total (1966-67)	4,377		1,310		57,171		78,092		9,109	*140,950	
Grand total (1965-66)	4,577		1,546		57,033		88,165		9,659	151,301	
Grand total (1964-65)	4,699		1,847		60,691		97,518		11,048	164,755	
Grand total (1963-64)	4,380		2,016		59,633		87,647		11,214	153,676	

* The June 30, 1967, total includes 1,533 out-of-state licenses, plus 62 out-of-country licenses.