



Real Estate Bulletin

Official Publication of the California Department of Real Estate

RONALD REAGAN, Governor

Winter 1968-69

BURTON E. SMITH, Commissioner

Commissioner Unveils Revised Blueprint for Professionalism

A revised *Blueprint for Professionalization* (of the real estate vocation in California) was presented for discussion purposes by Commissioner Burton E. Smith on the occasion of the Real Estate Education and Research Conference in San Francisco, September 28, 1968. He explained that the paper was merely an outline of a possible plan of action which could lead to a more professional level of service by California real estate brokers and public recognition of the fact that these services can indeed be "professional."

The commissioner said he was impelled to lay out a revised plan of action because of the passage of the education bill in 1968, a bill which establishes certain prerequisite educational qualification requirements for real estate broker license candidates, effective in 1970 and 1972. This means acceleration of the move toward professional orientation for the industry.

Since this can be a matter of real importance to current licensees and future licensees, portions of the proposed plan are quoted below and a chart of the *Blueprint* as it was outlined for discussion is reproduced in the center section of this *Bulletin*. Licensees are invited to study the proposal and give the commissioner the benefit of their observations and reactions.

Background for Revised Blueprint

Two years ago, the Real Estate Commissioner's office drafted and distributed a *Blueprint for Professionalization of the Real Estate Business in California*. In the text of the paper, it was explained that the presented plan was in no sense to be considered immutable. It was merely laid out on the table to provide a frame of reference

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PROCEDURE IN CHANGING BROKER'S ADDRESS

Not later than the next business day, a broker must forward a written statement to DRE headquarters in Sacramento when he changes his main or branch office address. He must include a \$4 fee for each license (individual and corporation, for example) affected and for each salesman in his employ when the address of his main office is changed. A change in address for a branch office involves a \$4 fee.

When the change occurs, the license certificate is corrected by the licensee. He strikes out the old address and types or writes in ink the new address on the reverse side, dating and initialing the inscription.

In canceling a branch office license, the broker should return the license with a note bearing his signature and requesting cancellation (no fee).

This does not affect the main office license nor the salesmen licensees in the broker's employ since salesmen are licensed at the broker's main office even though they may be working out of a branch office.

INDEX FOR 1968

Articles which appeared in the last five *Bulletins* will be indexed by subject in the Spring edition of this publication.

Changes in Commissioner's Regulations Adopted

A number of new regulations and amendments to existing regulations have been officially adopted by the Real Estate Commissioner, while others were repealed. For the most part, additions implement legislation enacted in 1968. A number of sections have been changed to reflect the new title of the licensing agency, now known as the *Department of Real Estate*. Also, numerous sections were changed, deleting any reference to "copartnership licenses." The changes became effective November 13, 1968.

The full text of the new and amended regulations (except those which merely reflect the "department" designation) now in effect appears below:

Section 2712 amended to read: **Personal Appearance.** Applicants may be required to appear at an office of the department to be interviewed.

Section 2715 repealed.

Section 2715 added to read: **License Changes.** Whenever a licensee changes address, terminates employment or enters the employment of a new broker he shall notify the commissioner thereof (with the \$4 fee) by the next business day.

Section 2734 added to read: **Operation by Partners from Branch Offices.** Real Estate broker members of a partnership (formed by written agreement) may operate from the branch offices of the partnership without obtaining individual branch office licenses, provided a licensed broker partnership member has a branch office license at said location pursuant to the provisions of Business and Professions Code Section 10163.

Section 2743 repealed.

Section 2743 added to read: **Expiration of Partnership License.** The broker license certificate issued to the qualifying member of a partnership shall be deemed to be the

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REAL ESTATE BULLETIN
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 California Department of Real Estate

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The Real Estate Bulletin is a quarterly published by the State of California, Department of Real Estate, as an educational service to all real estate licensees in the state under the provisions of Section 10083 of the California Business and Professions Code.

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Disciplinary Action—September 1968—November 1968
Licenses Revoked From September 1968 Through November 1968

Name	Address	Effective date	Violation R.E. Law/Regulations
Graves, John Temple (REB)..... dba J. T. Graves Realty Co. (Right to RREB license 6 months after effective date of decision on terms and conditions)	2530 Crenshaw Blvd., Los Angeles	2/ 7/68	10145, 10176(i), 10177(d) (f) (j)
Lowe, Carol Floyd (REB)..... (Right to RREB license on terms and conditions)	717 Oak Grove Ave., Menlo Park	3/19/68	10145, 10176(e), 10177(d) (f)
Coggins, Charles William, Jr..... (RREB)	1348 Spruance St., San Jose	9/ 4/68	10145, 10176(e) (i), 10177(d) (f); 2830, 2832
Bellister, Albert (REB)..... dba Real Estate Services Co. (Right to RREB license on terms and conditions)	1435 Taraval St., San Francisco	9/ 5/68	10177(f) (j)
Weinstein, Cleo Lorraine (RES)..... (Right to RRES license on terms and conditions)	1003 Sepulveda Blvd., Manhattan Beach	9/ 5/68	10176(a) (i), 10177(f) (j)
Jurado, Manuel, Jr. (RES)..... (Right to RRES license after 60 days from effective date of the decision on terms and conditions)	2506 1/2 W. Beverly Blvd., Montebello	9/10/68	10176, 10177(f) (j)
Uribe, Jaye Marshall (REB)..... dba Del Mar Real Estate	5641 E. Beverly Blvd., Los Angeles	9/10/68	10145, 10176(a) (e) (i), 10177(d) (f) (j); 2832
Ison, William Dean (REB).....	1510 Bonanza St., Walnut Creek	9/11/68	10176(a) (g) (i), 10177(f)
Jadoff, Jerry Alden (RES)..... (Right to RRES license on conditions)	482 N. Howard St., Fresno	9/16/68	10177(b)
Bender, Nick (REB).....	1627 Francis Ct., Torrance	9/17/68	10177(b) (f)
Crossan, L. B. (REB).....	2711 Zee St., Huntington Park	9/17/68	10177(f) (j)
Dawes, Charles Munro (RES)..... (Right to RRES license on conditions)	579 University Ave., Palo Alto	9/17/68	10177(b) (f)
Korakakis, Louis John (RES).....	1800 Market St., San Francisco	9/17/68	10176(a) (b) (i), 10177(f) (j)
Klistoff, James (REB).....	3525 Sabina St., Los Angeles	9/17/68	10177(b) (f)
Meyers, John Nickoles (RES).....	24817 Marine Ave., Wilmington	9/17/68	10130, 10177 (d) (f)
Reed, Gail Janis (RES)..... (Right to RRES license on terms and conditions)	13251 Moorpark St., Sherman Oaks	9/17/68	10177(b) (f)
Sandusky, Jerome (REB)..... (RES)	2809 Via Campo, Montebello	9/17/68	10177(b) (f)
Smith, Jerry Ruschelle (RES).....	216 S. Nicholson, Monterey Park	9/17/68	10177(f) (j)
Wolf, Donald Eugene (RES).....	260 Meadowbrook Dr., San Diego	9/17/68	10177(b) (f)
Barker, Richard Jay (REB).....	5453 W. Pico Blvd., Los Angeles	9/19/68	10176(i), 10177(d) (f) (j)
Beitler, Donald Hess (REB)(REO)..... Pres., Values, Inc. Realty	280 S. Beverly Dr., Beverly Hills 3450 Lakeshore Ave., Oakland	9/19/68	10145, 10176(e) (i), 10177(d) (f); 2831, 2831.1, 2832
Lyon, Lewis Estes, Jr. (RES)..... (Right to RREB licenses on terms and conditions)	853 Rosemount Rd., Oakland	9/19/68	10177(b) (f)
Schirn, Otto (REB).....	11922 Lorne Ave., North Hollywood	9/19/68	10177(d) (f) (j), 11013.2
Shaw, Glenn Zenos (REB)..... (Right to RREB license after 45 days from effective date of decision on terms and conditions)	1204 S. Camden Dr., Los Angeles 9301 Wilshire Blvd., Beverly Hills 240 W. Pothill Blvd., Monrovia	9/26/68	10176(a) (i), 10177(f) (j)
Fanning, Homer Cleo (RES).....	335 32nd St., Richmond	10/ 2/68	10145, 10176(e) (i), 10177(d) (f) (j)
Superior Financial Corp (REC).....	1717 N. Highland Ave., Los Angeles	10/ 8/68	10146, 10148, 10176(e) (i), 10177(d) (j); 2834, 2835
O'Dowd, Carl Joseph (REB).....	13428 Osborne St., Arleta	10/ 9/68	10145, 10160, 10162, 10164, 10165, 10176(e) (i), 10177(d) (f)
Neel, Charles Delzo (RES)..... (Right to RRES license on terms and conditions)	So. Side Ocean Ave., between Lincoln and Monte Verde Sts., Carmel	10/15/68	10177(b)
Yee, Edward Lee (REB).....	1330 Bayshore Hwy., Burlingame	10/28/68	10176(e)
Bowen, Charles Ray (RES)..... (Right to RRES license on terms and conditions)	15233 Ventura Blvd., Sherman Oaks	10/29/68	10177(b) (f)
Cosgrove, Raymond Joseph (REB)..... (Right to RREB license on conditions)	1010 Franklin St., San Francisco	10/29/68	10177(b) (f)
Dillbeck, Thomas Christopher..... (REB)	265 E. Artesia Blvd., Long Beach	10/29/68	10177(b) (f)
Fowler, Ernest Walter (REB)..... (Stayed on terms and conditions)	9322 Bixby Ave., Garden Grove	10/29/68	10176(a) (g) (i), 10177(f) (j)
Haskins, Geraldine Ann (RES).....	17938 Burbank Blvd., Encino	10/29/68	10177(b) (f)
Holzberg, Gerald Franklyn (REB).....	1901 Ave. of the Stars, Los Angeles	10/29/68	10085, 10145, 10146, 10176(i), 10177 (d) (f); 2970, 2971, 2972, 2973, 2974
Horn, Ansel Abner (REB)..... (Right to RREB license 60 days after effective date of decision on terms and conditions)	1000 E. Walnut St., Pasadena	10/29/68	10176(i), 10177(f) (j)
Carter, James Lee (RREB).....	1012 W. Florence Ave., Los Angeles	10/30/68	10177(d) (f) (j)
Johnson, Fred Carl (RES).....	141 Montecito Ave., Oakland	11/ 6/68	10177(f) (j)
Overman, Iris Elaine (RES).....	P.O. Box 815, Clearlake Oaks	11/13/68	10177(b) (f)
Sperry, Irvin Lee (RRES).....	1330 Broadway, Oakland	11/13/68	10177(k)
Galloway, James Addison (REB).....	3149 Delwood Way, Sacramento	11/21/68	10177(b) (f)
Regina, Peter Paul (RES).....	6548 Jamieson Ave., Reseda	11/26/68	10177(b) (f)
Bradbeer, William Lawrence (REB)..... (REO) Secy. Troy Realty & Inv. Co. Inc. Exec. V.P., Dallas Mtge. Co., Inc.	16039 E. 14th St., San Leandro	11/28/68	10177(b)
Scheurich, Irene Thelma (RES)..... (Right to RRES license after 90 days from effective date of decision on terms and conditions)	370 MacKenzie Pl., Hayward 8737 Broadway, La Mesa	11/28/68	10176(a) (i), 10177(f)

UNIVERSITY EXTENSION SETS WINTER PROGRAM

University Extension, University of California, will offer a wide range of basic and advanced real estate courses this winter.

Classes will be given in Berkeley, Los Angeles, San Francisco, U.C.L.A., West Covina and Whittier.

For further information concerning courses get in touch with University

Extension, University of California—2223 Fulton Street, Berkeley 94720, phone 642-4237 or 1100 South Grand Avenue, Rm. 317, Los Angeles 90015, phone 747-4321, Ext. 33.

All classes begin the week of January 6, 1969. DRE approved programs also available at 77 junior colleges.

Licenses Suspended From September 1968 Through November 1968

Name	Address	Effective date	Violation R.E. Law/Regulations
Goodin, Gerald Arthur (REO)..... Mem. Secured Mtge. Co. Mem., Goodin Realty Pres., Goodin Realty Co., Inc	4990-A Mission St., San Francisco.	9/ 3/68 60 days	10176(a) (g) (i), 10177(f)
South Crenshaw Realty Co., Inc.... (REC) (After 1 yr. from effective date of decision, suspension shall be terminated if broker shall reactivate his license)	1012 Broad St., San Luis Obispo....	9/ 3/68 Indefinitely	10162, 10177(d)
Begliomini, Arturo Guillermo (RES)..... (Last 10 days permanently stayed)	1127 Irving St., San Francisco.....	9/ 4/68 20 days	10130, 10137, 10177(d) (f)
Wasserman, Donald Ray (REB)..... dba Golden Gate Realty (Last 10 days permanently stayed)	1127 Irving St., San Francisco.....	9/ 4/68 20 days	10137, 10177(d) (f) (g)
Weinstein, Aaron (REB).....	1003 Sepulveda, Manhattan Beach.	9/ 5/68 45 days	10176(a) (i), 10177(f) (j)
Fead, Robert William (REB)(RES).....	446 Turrin Dr., Pleasant Hill.....	9/17/68 180 days	10176(f) (i), 10177(d) (f); 2900, 2901
Lommel, John Edward (RES)..... (Stayed for 1 yr. on conditions)	1525 State St., Santa Barbara.....	9/17/68 30 days	10177(b) (f)
Liptak, Jeanne (REB)..... dba Bail Road Realty	2100 W. Ball Rd., Anaheim.....	9/19/68 90 days	10177(d) (f), 11018.2
Merritt, Russell Lamar (REB)..... (RES)	45 Sadowa St., San Francisco.....	10/ 3/68 Indefinitely	10470
Wexler, Norman (REB).....	15236 Burbank Blvd., Van Nuys..	10/ 5/68 45 days	10148, 10177(d) (f), 10237.3, 10237.4, 10237.6, 10237.8, 10238.1, 10238.3
Harbaugh, Victor Howard (REB)..... (REO)..... Pres. Superior Financial Corp.	5430 Van Nuys Blvd., Van Nuys..	10/ 8/68 90 days	10130, 10177(d) (g)
Petersen, Norman Michael (RES)..... (Permanently stayed)	1717 N. Highland Ave., Los Angeles	10/ 8/68 30 days	10177(a) (b)
Toberman, Homer (REB)(REO)..... Vice Pres., Superior Financial Corp. Vice Pres., C. E. Toberman Co.	1717 N. Highland Ave., Los Angeles	10/ 8/68 120 days	10130, 10177(d) (g)
Roney, Lawrence Clyde (REB)..... (After 30 days from effective date of decision, remainder or any portion thereof, may be stayed on conditions)	12457 Felipe, El Monte.....	10/ 9/68 Indefinitely	10160, 10162, 10164, 10165, 10177(f)
Fowler, Ernest Walter (REB).....	9322 Bixby Ave., Garden Grove....	10/29/68 6 months	10176(a) (g) (i), 10177(f) (j)
Gayles, Robert Lee (RES).....	2651 S. Western Ave., Los Angeles	10/29/68 30 days	10145, 10176(e) (i), 10177(d) (f)
Walker, Charles Fleming (RES).....	1567 Wakefield, Anaheim.....	10/29/68 30 days	10176(a) (i), 10177(f) (j)
Walker, Sherman Tolly (REB)..... dba Day and Night Realty Co. (Stayed for 3 yrs. on terms and conditions) (Not to act as a broker for 10 days from the effect of decision)	3182 National Ave., San Diego.....	10/29/68 180 days	10176(i), 10177(d) (f)
Scott, Mark Paul (REB)..... (After 30 days from effective date of decision, remainder or any portion thereof, may be stayed on conditions)	12345 Ventura Blvd., Studio City..	10/30/68 433 days	10160, 10162, 10164, 10165
Hogan, Edward Fay (REB)(RES)..... dba Pacific Plan of Monterey..... Entrance, Carmel Valley	539 Hartnell St., Monterey	10/31/68 60 days	10177(d) (f), 11010, 11018.2
Goodin, Robert J. J. (REO)..... Mem., Goodin Realty Mem., Secured Mtge. Co.	4990-A Mission St., San Francisco.	11/ 2/68 60 days	10176(a) (g) (i), 10177(f)
Pres. Goodin Realty Co., Inc....	4992 Mission St., San Francisco	11/ 9/68 180 days	10145, 10176(e), 10177(d), (f); 2834
Sayers, John Durbin (REB)(REO)..... Pres., Sayers & Son, Inc. (Last 165 days stayed for 2 yrs. on terms and conditions)	117 Pearl St., Monterey.....	11/ 9/68 180 days	10145, 10176(e), 10177(d), (f); 2834
Way, Dorothy Flower (RREB).....	633 13th St., Eureka.....	11/13/68 30 days	10177(k)
Dawson, Donald Lloyd (REB)..... dba North State Realty (Stayed for 3 yrs. on terms and conditions)	2397 Front St., Cottonwood.....	11/18/68 180 days	10176(e), 10177(d) (j), 11013.2(a); 2831
Blakeney, F. Keith (RRES).....	3450 Lakeshore Ave., Oakland....	11/19/68 7 days	10177(k)
Brown, Fred Raymond (RES)..... (Last 80 days stayed for 3 yrs. on conditions)	800 Manhattan Beach Blvd., Manhattan Beach	11/19/68 90 days	10176(a) (d) (i), 10177(f) (j)
Wilson, Richard Brown (REB).....	211 Aviation Pl., Manhattan Beach	11/19/68 60 days	10176(e) (i), 10177(d) (f)
Anway, James Herbert (REB)..... (After 30 days from effective date of decision, remainder or any portion thereof, may be stayed on conditions)	262 W. Highland Ave., San Bernardino	11/26/68 36 days	10160, 10162, 10165, 10177(f)
Kitzinger, Bernard Robert (RES)..... (Stayed for 1 yr. from effective date of decision on terms and conditions)	1135 Garnet Ave., San Diego.....	11/26/68 90 days	10177(b) (f)
Bobet, James Elwyn, Jr. (REB)..... (Last 15 days stayed for 2 yrs. from effective date of decision on terms and conditions)	3409 Grand Ave., Oakland.....	11/28/68 45 days	10145, 10164, 10176(a), 10177(d) (f), 10231; 2771(a), 2830, 2832

John Cotton Elected President of the NAREB

John Cotton, member of the State Real Estate Commission and past president of the California Real Estate Association, has been elected president of the National Association of Real Estate Boards. He thus becomes the fourth Californian to be so honored.



JOHN COTTON

NAREB treasurer in 1968, Mr. Cotton first went into real estate in 1934 and in recent years has been dividing his time between real estate brokerage, appraisal, counseling and management. He is a partner in the commercial and investment brokerage firm founded by his father in 1903, the O. W. Cotton Company, and president of the Cotton Property Management Company, both located in San Diego.

He has been a leader in community affairs as well as in the councils of organized real estate, holding the following posts among others: president of the San Diego Real Estate Board, 1951; president of the California Real Estate Association, 1956; vice president of the National Association of Real Estate Boards and a member of the organization's long-range planning committee; vice president of the American Institute of Real Estate Appraisers and a chairman of its appraisal review committee; and president of the California Apartment Owners Association.

Mr. Cotton has also found time to devote to educational activities, as a lecturer on appraising, management, sales and exchange subjects. He has been a member of the Commissioner's Real Estate Education and Research Advisory Committee (the CREERAC) and is a long-time member of the President's Real Estate Advisory Committee, University of California. He taught courses for the University of California Extension and at San Diego State College and participated in numerous seminars and symposiums.

REVISED PUBLICATIONS AVAILABLE

Revised editions of the *Real Estate Law* booklet and the *Subdivision Manual* are now being distributed. The law booklet contains the current text of the Real Estate Law, the Subdivided Lands Act, the Commissioner's Regulations and pertinent excerpts from other codes.

The *Subdivision Manual* explains the commissioner's jurisdiction and requirements in the development of new subdivisions and discusses the general scope of local authority under the provisions of the Map Act. The several types of subdivisions are defined and procedures applying to each are outlined. The text touches on subdivision planning and development, market research, processing, etc.

Copies are available at any DRE office, or can be sent postpaid from the Sacramento office on receipt of order and remittance. Prices for revised editions: *Real Estate Law*, \$2; *Subdivision Manual*, \$3. Add 5 percent sales tax if ordered in California.

Chart Depicting Past Milestones in License Upgrade

COMMISSIONER UNVEILS REVISED BLUEPRINT

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for discussion which might lead to a consensus on the part of all those interested in a general plan of procedure for raising the standards of real estate practitioners over the next decade.

It might be worth while to quote from the 1966 paper some of the statements made and the philosophy expressed therein:

"For many years, both nationally and in the State of California, articulate real estate practitioners have been urging the cause of professionalism.

"But actual progress toward the goal of professionalization . . . has been slow and irregular even in this state which is generally recognized as a leader in the move to professionalism for the real estate licensee.

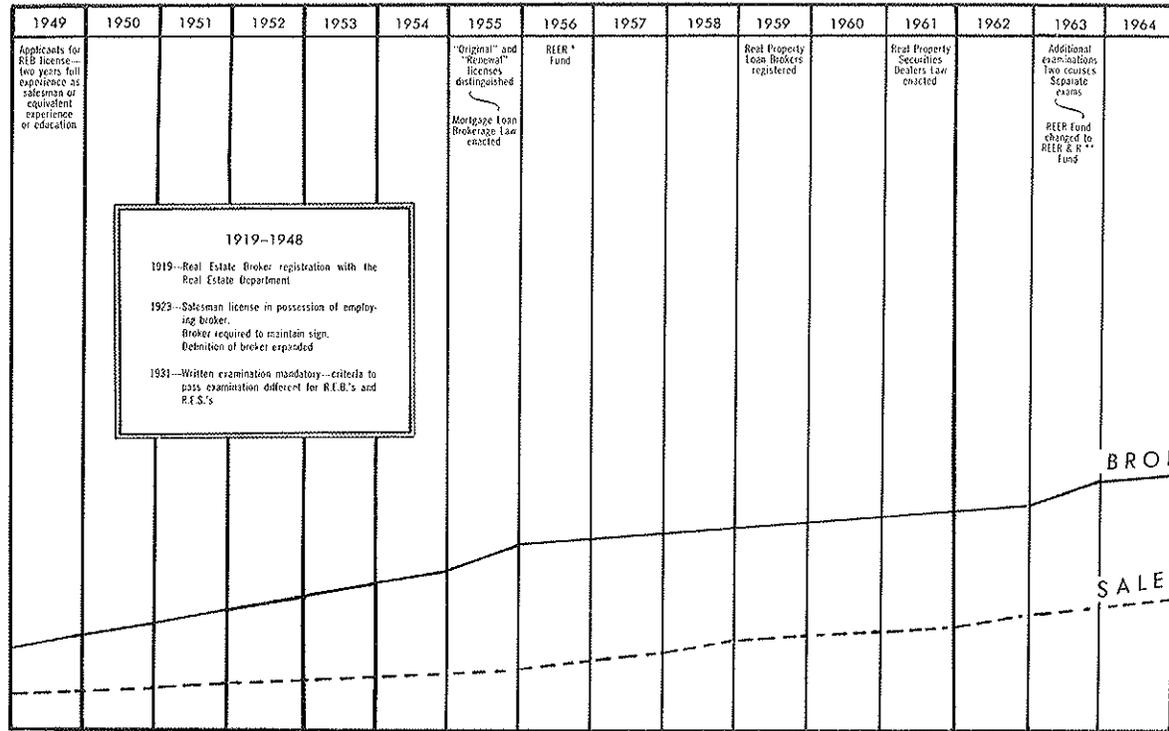
"Two of the principal ingredients for achievement of professional status are: (1) **specialized education in depth** and (2) **recognition by the public that a professional type of service is indeed involved.**

"As to the former—educational attainment—California, because of its unique Real Estate Education, Research (and Recovery) Fund, has reached the position where its public institutions of higher learning and some of its private universities offer widespread opportunities for real estate education in depth. So this essential of professional status and recognition is within the grasp of those who would avail themselves of it.

"Professionalization cannot be achieved in the span of a few years, but, if it is to be achieved eventually, objectives must be formulated and a timetable set for meeting these objectives.

Effect of Current Happenings

This year—1968—saw a long stride made toward the goal of professionalism, as the Education Bill, SB 253, was signed by Governor Reagan on June 12 and enacted into law. Although this particular advance was not contemplated in the original blueprint, though it may have been hinted at, the legislation provides a whole new substructure for formulation of plans for the future. The enactment (Chapter 305, Stats. 1968) provides that as of January 2, 1970, the applicant for real estate broker license



must have completed three-unit college-level courses in Legal Aspects of Real Estate and in Real Estate Practice. In addition, if he has not completed three-unit college-level courses in Real Estate Finance and Real Estate Appraisal, he will be faced with special tests in these subjects. Starting in January 1972, completion of all four of the named courses will be required as a prerequisite for examination for real estate broker license.

Passage of this legislation represents a major milestone in the move toward professional status for the real estate broker, upon whom, it is generally agreed, the thrust for that status must be concentrated. The Legislature's and Governor's favorable attitude toward the legislation was influenced strongly by the fact that the required education is in being and is available to every citizen of California.

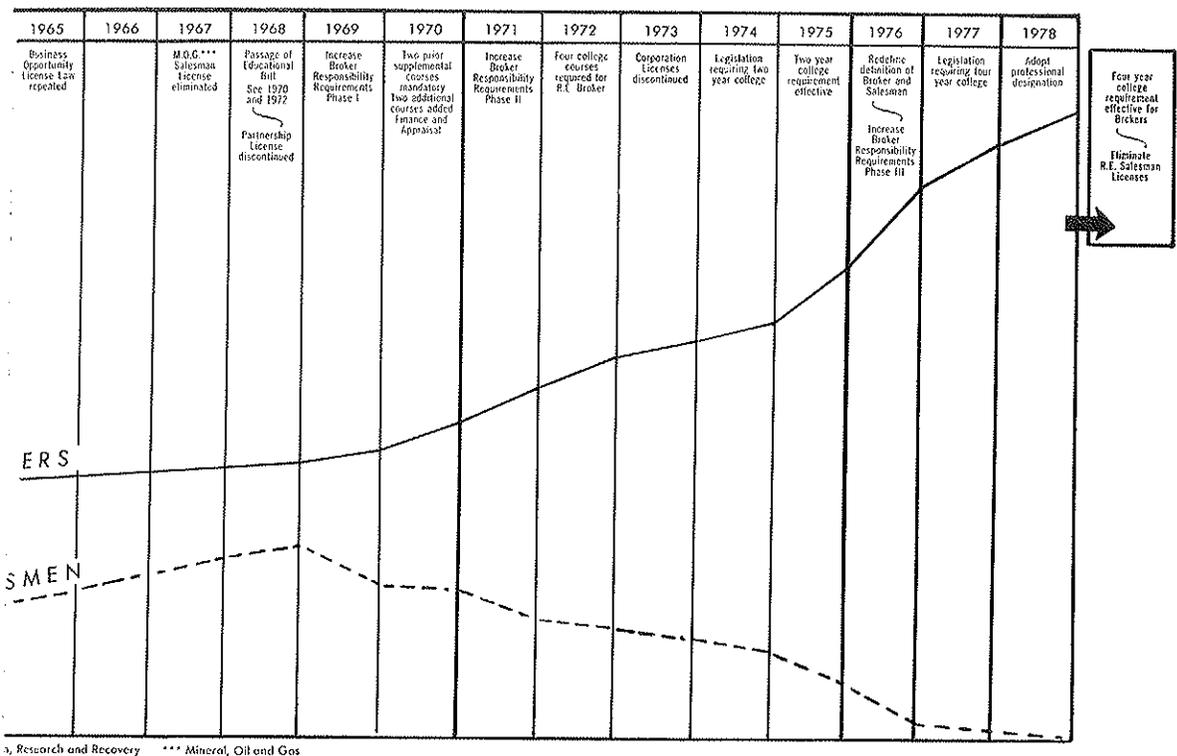
In 1968 a part of the previously proposed plan was achieved when partnership licenses issued by the Department of Real Estate were abolished. Each broker formerly licensed as a member of a partnership is now licensed as an individual although, of course, several such licensed individuals may form a partnership on their own to conduct a brokerage business.

This brings the present picture into focus; and, as previously indicated, circumstances warrant presentation and consideration of a revised blueprint for action towards professionalization during the next 10 years.

Charted Progression

The chart here presented depicts historical landmarks in the advancement of the standards for real estate prac-

Timing and Revised Plan for Professionalization



professional recognition. At present, the license law makes little differentiation between the broker and the salesman in terms of which each may or may not do.

If the real estate broker is to move toward justifiable assumption of the image of a professional in the eyes of the public and his confreres, it seems obvious that the distinction between the duties and responsibilities of the broker and the salesman must be widened and the brokers' supervisory responsibility must be better identified. The broker as the "professional" person must be prepared to accept added, definitive responsibilities.

Chronological Development of Plan Over the Next 10 Years

1969:

On the chart the target for 1969 is identified as "Increased broker responsibility requirements, Phase I." Here these points or questions might be considered:

Examination of the role of the real estate salesman who is acting as a branch office manager? Possible adoption of Commissioner's Regulations more accurately defining "reasonable supervision" by brokers over salesmen? Consideration of proposed legislation to remove the present statutory requirements that the broker must maintain a sign?

As a continuing process, emphasis would be placed upon strengthening the examination for real estate broker license.

1970:

The new statutes previously discussed will become effective, and the applicant for real estate broker license must have completed, as one of the conditions of qualification, two three-unit college-level courses, i.e., real estate practice and legal aspects of real estate. In addition, if the broker license applicant has not completed three-unit college-level courses in real estate appraisal and real estate finance, he will be subjected to special examinations in each of these subjects.

1971:

"Phase II" contemplates a further increase in the broker's assumption of professional responsibility.

These questions might be considered: Should brokers be required to have a written employment contract with

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tioners since the inception of the license law in 1919.

Interesting though it might be to look at the past, the purpose of this plan proposed for discussion are the chronological objectives of the next 10 years, from 1969 through 1978.

Referring to the chart, by 1978 some of the criteria for professional recognition will have been met; the real estate salesman license could be on the way to phaseout; all new applicants for real estate broker license will have completed a four-year college degree program with a major in real estate or the equivalent thereof. As corollary action, but unspecified on the chart, real estate curricula will have been improved and redesigned to help a potential practitioner prepare for specialized practice within the general field of real estate.

Furthermore, license examinations will have been integrated into any plan adopted; and laboratory, refresher and graduate seminar course work will have been made available to practitioners. It is also to be expected that a higher order of social objectives will have been developed within the profession.

The chart indicates certain specific legislation which needs to be enacted along the way, so that the steps toward professional status may be taken gradually, systematically and logically.

In the main, however, this chart and this proffered blueprint emphasize the increasing degree of responsibility which would devolve upon a broker as he moves toward

*** Mineral, Oil and Gas

COMMISSIONER UNVEILS REVISED BLUEPRINT

(Continued from Col. 2, Page 861)

their salesmen? Should every broker be required to maintain a trust account? Should brokers be required to maintain fidelity bonds covering the activities of their employees?

The broker license examination would be made still more comprehensive.

1972:

Legislation already enacted would become effective—the applicant for real estate broker license, as part of the qualification process, must have completed four three-unit college-level courses, namely, real estate practice, legal aspects of real estate, real estate appraisal, and real estate finance.

This might be an appropriate time to review the necessity and meaningfulness of the special mineral, oil and gas broker license.

1973:

The corporation real estate broker license would be discontinued by action of the legislature. This would be consonant with the abolishment of the partnership license which has already been accomplished. It also agrees with the thesis prevalent in the presently recognized professions that a person is licensed to operate as an individual, although he may associate himself with others so licensed in a partnership or other arrangement.

1974:

Proposed would be legislation which would require the applicant for real estate broker license to have completed two years of general or specialized college work, or its equivalent.

1975:

The two-year college requirement for real estate broker license candidates would become effective.

1976:

Consideration might be given to an overhaul of the Real Estate Law with emphasis on redefinition of the broker's role, responsibilities and areas of operation; at the same time reducing the sphere of operations for the licensed salesman.

The foregoing encroaches somewhat into "Phase III," which would envisage a further increase in broker's responsibilities as compared to those of the salesman. These questions might be considered here: Should contracts negotiated by real estate salesmen be valid only after they have been ratified by the employing broker? Should mandatory audits of trust account activity be required? Also suggested would be a major revision of the real estate broker license examination.

1977:

Assuming earlier enactment of statutory requirements calling for completion of two years college work as a prerequisite for broker licensure, legislation would be sponsored to raise the qualifying standard from two years to four years, i.e., a baccalaureate degree.

1978:

The bachelor's degree requirement would go into effect.

Consideration would be given to adopting a professional designation for those who have met the increasingly stringent qualifications hereinbefore outlined.

Criteria would be established which would allow other practicing brokers to entitlement to the professional designation.

Consideration could be given to a phaseout time for the real estate salesman license and the possibility of elimination of any license requirement for defined acts not considered within the professional sphere, but performed as an employee and under the direction of the professional person, i.e., the broker.

Conclusion

A. It is desirable that a blueprint, plan or program be established defining educational and experience prerequisites leading to a professional designation.

B. The program should be one which would stimulate licensees toward professional excellence and attitudes with tangible recognition to

STATE COLLEGE RESEARCH REPORTS AVAILABLE

A limited supply of the following research reports are obtainable from the DRE's principal office, P.O. Box 2407, Sacramento 95811, at \$1.50 per copy, plus 5 percent state sales tax, if ordered in California.

- Chico State College—Economic Feasibility of a Real Estate Management Firm in Chico, California.
- Fresno State College—Statistical Approach to Real Estate Value with Applications to Farm Appraisal.
- San Diego State College—Factors Contributing to Success or Failure of Residential Condominium Development.
- San Francisco State College—San Francisco Consumer Buying Plans and Economic Expectations: Survey of November–December 1966–67.
- San Jose State College—Characteristics, Economic Resources & Housing Preferences of Mobile Home Occupants in Santa Clara County.

those who meet all demands made by the gradually upgraded standards.

C. Under any plan or blueprint, it would not be contemplated that any person presently licensed as a real estate broker or who achieves that status at any time prior to 1978 would ever be required to qualify formally for professional designation.

The opportunity for professional designation could be left open to current licensees and those licensed prior to 1978, either through the medium of formal education or the accumulation of experience, or a combination of both.

D. Consensus or general agreement on a blueprint or plan to be adopted and implemented is not enough. In addition to concerted effort to achieve the goals set, it is essential that the public be acquainted with moves to raise the standards of the real estate industry leading it to at least a quasi-professional status.

It does some good to have that status recognized within the industry itself; but more important, the public must be made aware of heightened qualification standards and accept them as meaningful. Therefore, it would seem logical that as progress may be made, every effort should be expended to publicize this progress not only within the industry, but in the media reaching the public.

BLUEPRINT IS FOR DISCUSSION ONLY!

The revised *Blueprint for Professionalization* discussed at length in this issue of the *Bulletin* has received favorable national attention, has been reviewed by some industry people in California, and has also been publicized in news media.

While most seem to approve in principle the general idea of upgrading, some concern has been evidenced about the indicated expansion of broker responsibilities with consequent lessening in the dimension of operations by the salesman licensee, even to the possible point sometime in the future where the latter license will no longer be realistic.

But should this come to pass, the professional person—the broker—will still need employees to perform designated functions which do not require a discernible degree of professional skill and discretion, and he can employ such personnel as assistants, just as do doctors, dentists, attorneys, architects, etc.

The Real Estate Commissioner wants to emphasize once again, and strongly, that any action such as phasing out the salesman license is contemplated only as a single possibility among the many possibilities and alternatives presented, and at a future point in time.

Specific steps and dates of attainment will depend upon circumstances, but the day when every licensee will be a qualified professional must eventually come!

Salesman

TRANSFERRING TO NEW BROKER

To effect a transfer of employment, a salesman, his former broker and new employing broker should take the following steps:

(1) Both former employing broker and new employer must immediately notify the DRE headquarters in Sacramento of the action.

(2) Former employer gives the transferring salesman the latter's license certificate.

(3) The salesman strikes out his former broker's name and address on the license and types or writes in ink the new employer's name on the reverse side; with date and salesman's initials and gives the license certificate to new broker for display in his main office. The transfer becomes effective when this step is taken. No new license will be issued.

(4) Not later than the next business day, the salesman must complete R/E Form 214 (Application for Transfer or Reinstatement of Salesman License), have it signed by his new employer, and send it to the Department of Real Estate, P.O. Box 2407, Sacramento 95811, together with a \$4 fee.

INCREASE IN LICENSES

Real estate and mineral, oil and gas licenses issued and in effect as of November 1, 1968, totaled 144,365, a 2.4 percent increase over the 140,950 licenses reported on June 30, 1967. Of the licenses 26.2 percent were inactive.

Required Reading for Members of Partnerships

Prior to expiration of at least one of the member's license, the partnership will be notified that all members' licenses will be reissued as individual broker licenses.

Perhaps an example will serve to illustrate the procedures to be followed. Suppose brokers A, B, and C are currently operating under a partnership license issued prior to November 13, 1968. Partner A's four-year license as a member of the partnership is due to expire on February 24, 1969, and the licenses of partners B and C expire on dates thereafter. Prior to the expiration of A's license, the partnership will

Because of a change in the license law effective November 13, 1968, the DRE no longer issues formal partnership licenses. Partnerships will continue to exist and partnerships may be formed under the general law relating to such entities. A partnership may perform acts for which a real estate broker license is required, providing each partner through whom the partnership so acts is a licensed real estate broker.

A real estate partnership, licensed as such at the time the law was changed, need make no adjustments in its operation until notification by the DRE.

be notified of the procedures for transferring the partnership license to individual broker licenses. A will pay the regular renewal fee, while B and C will be issued individual broker licenses covering the remaining term of their original partnership licenses (no fee for changeover).

Salesmen and Branch Offices

At the time of the license changeover, transfer applications for salesmen employed by the partnership will be sent, and the partners will decide which individual broker shall employ which salesmen. The salesmen will be

(Continued, Col. 1, Page 864)

Gatewood Named State Realtors

The California Real Estate Association at its 64th annual convention in San Francisco elected Gatewood, Jr., of Los Angeles, 1969



EMMETTE T. GATEWOOD, Jr.

He served with the U.S. Army Corps during World War II advanced flying instructor in the Troop Carrier Command. In 1949 moved to California. He has been active in the real estate business in the Saratoga-Los Gatos area since 1949. Upon receiving his broker's license in May 1952, he established offices in Los Gatos and Saratoga. Currently member of the board of directors of the National Association of Real Estate Boards, the president-elect has served on CREA's executive committee (1965-1968); as regional vice president (9th District) in 1962; and chairman of CREA's Educational Sales Conference as well as numerous other state association committees.

[Winter

1969
succeeded
Karpe
field.

A native
of California, he
has a local school
in Richmond.

In 1941 he graduated
from the University of
California with a B.A.

in psychology.

He served with the U.S. Army
Corps during World War II

advanced flying instructor in the
Troop Carrier Command. In 1949

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Sales Conference as well as numerous
other state association committees.

Inactivating or Reinstating a Broker or Salesman License

The license of a real estate broker or salesman may be inactivated by returning the license to the DRE with written request that it be inactivated or, as some say, "put on ice." If a change of address is involved, a \$4 fee is due. In nearly all cases, when a salesman inactivates his license, the fee is required to show a change from his last broker's address to his residential address.

The DRE will alter its records to show the change, stamp "inactive" on the reverse side of the license with date and initials and return it to the licensee.

When a broker wishes to reinstate his license, he must give his new business address in his signed request for reinstatement, forwarding the request and \$4 fee not later than the next business day. As in other license changes, no new license certificate will be issued. The broker writes his

new address on the reverse side of his license together with date and initials.

Essentially, the same procedure will be followed when a salesman reinstates his inactive license, although he must also complete R/E Form 214 (application for transfer or reinstatement for salesman license), have it signed by his new employing broker and send it to the DRE with a \$4 fee, again not later than the next business day. The salesman will write the new employer's name on the reverse side of the license certificate, date and initial.

Effective Date of Licenses

As far as the DRE is concerned, the "effective" date of any license change is the date the change or transfer was made by the licensee on the license certificate. If the issue of "effective date" comes up later in an administrative or civil action, the actual date will have to be determined by the facts in the individual case.

REQUIRED READING FOR MEMBERS OF PARTNERSHIPS

(Continued from Col. 3, Page 863)

relicensed with no fee involved.

If one or more branch offices have been maintained by the partnership, a decision has to be made as to which individual broker will be assigned which branch office (no fee). Assuming that the partnership A, B, and C Realty Co. is formed by written agreement (and it is almost inconceivable this would not be the case), a salesman licensed under any of the partners may perform acts on behalf of the partnership and work out of any branch maintained by any one of the members.

Separate signs for each partner need not be posted; a sign giving the name of the partnership followed by "Real Estate Broker" or "Realtor" will suffice.

Many partnerships have fictitious names, that is, they operate under a firm name which does not include the individual names of all members. If the partnership was licensed prior to November 13, 1968, and had a fictitious name on its partnership license, that name will be added to the individual broker license when the licenses are changed.

Fictitious Names—Added or Dropped

When an established broker desires to adopt a fictitious business name, he sends his license to the DRE with a certified copy of the required Affidavit of Publication and a \$4 fee. A license certificate reflecting the new name will be issued.

Dropping a fictitious name, the broker returns his license with signed request to delete the name, remitting \$4. A new license will then be forwarded to him.

Commissioner's Regulations

(Continued from Col. 3, Page 857)
individual license of the qualifying partner member for the remaining term recited thereon.

Section 2751 repealed.

Section 2754 amended to read: Licensees Must File Address. All licensed brokers and salesmen, including those holding canceled or inactive licenses shall file their office and residence address with the commissioner and shall promptly notify the commissioner of any change in such address.

Section 2755 added to read: Salesmen Working For Partnership. Salesman may perform acts on behalf of a partnership (formed by written agreement) provided his employing broker is a member of the partnership.

Section 2771.6 added to read: Sign Requirements for Partnerships. Real estate broker members of a partnership (formed by written agreement) may fulfill the designation requirements of Business and Professions Code Section 10164 by posting a sign reciting the name of the partnership and "real estate broker" or "realtor," and need not post separate signs.

Section 2977 amended to change name of securities dealer's real property statement to real property security statement. There is no change in the remainder of the form.