



Staff Reports for July 2002

Texas Real Estate Commission

Monthly Staff Reports

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Enforcement Division Report

Case Status

July 2002

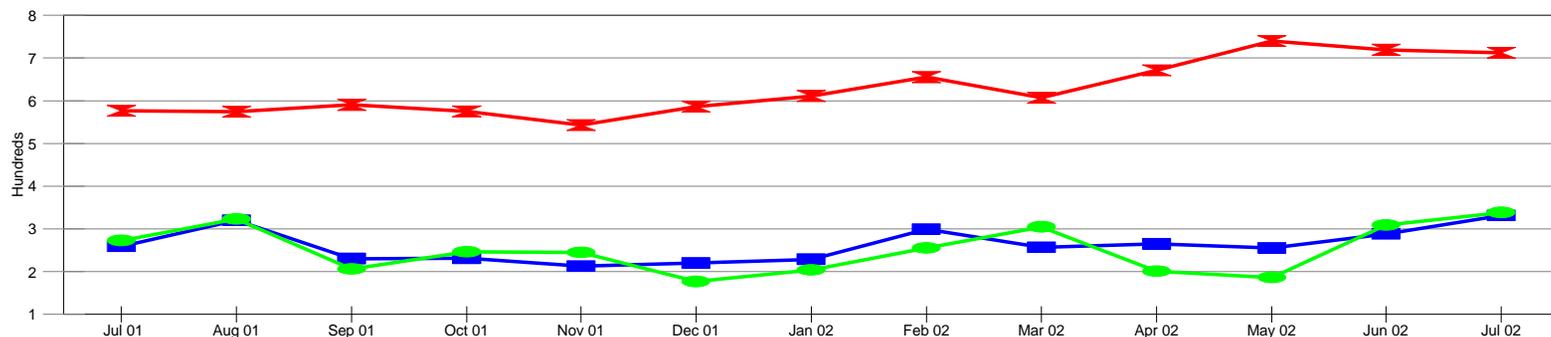
	July 2002	YTD
Open at Beginning of the Month	719	-----
Opened During the Month	331	2,817
Closed During the Month	(338)	(2,685)
Adjustment *	0	(26)
Open at End of Month	712	-----

* Cases not accounted for in previous monthly reports

	Jul 01	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01	Jan 02	Feb 02	Mar 02	Apr 02	May 02	Jun 02	Jul 02
Opened During Month	259	320	230	231	213	220	229	299	257	265	255	288	331
Closed During Month	273	323	206	246	245	177	204	255	305	201	186	309	338
Open at End of Month	577	574	590	575	543	586	611	655	607	671	740	719	712

Case Status

13 Month Trend



—■— Opened During Month
 —●— Closed During Month
 —×— Open at End of Month

Enforcement Division

Administrative Actions

July 2002

Name and Location	Order	Basis for Order
Okolie, Wilfred Osita (Houston); license# 385371	Agreed reprimand of broker license, entered July 1, 2002; Agreed administrative penalty of \$500, entered July 1, 2002	using an unlicensed assistant to negotiate the sale of a business which involved an assignment of a lease of real property, thereby establishing an association with an unlicensed person who was expected or required to act as a real estate licensee, or aiding or abetting or conspiring with a person to circumvent the requirements of the Act, in violation of Section 15(a)(6)(S); acting negligently or incompetently in performing an act for which a person is required to hold a real estate license, in violation of Section of 15(a)(6)(W) of the Real Estate License Act
Askew, Richard E. (Rowlett); license# 481630	Agreed reprimand of salesperson license, entered July 25, 2002	failing to provide the Information About Brokerage Services form to a seller, who represented himself, and failing to obtain final signatures of both parties to a sales contract intended by the parties to be a finally executed contract, in violation of Section 15(a)(6)(W) of The Real Estate License Act
Handy, Opal Diane (Houston); license# 361716	Revocation of broker license probated for one year, effective July 26, 2002	submitting invoices as an apartment locator to collect referral fees for tenants which were not referred by her or anyone associated with her, thereby knowingly withholding from or inserting in a statement of account or invoice, a statement which made it inaccurate in a material particular, in violation of Section 15(a)(6)(Q); engaging in conduct which constitutes dishonest dealings, bad faith, or untrustworthiness, in violation of Section 15(a)(6)(V); failing to ensure that invoices sent for payment were accurate, thereby acting negligently or incompetently in performing an act for which a person is required to hold a real estate license, in violation of Section 15(a)(6)(W) of The Real Estate License Act
Yarborough, Blake Allan (Houston); license# 448979	Agreed 90-day suspension of broker license fully probated for 6 months, effective July 26, 2002	acting negligently or incompetently by failing to exercise adequate supervision over the activities of an unlicensed assistant who acted as a real estate salesperson without a license, signed a client's name to a real estate contract without the client's consent, and caused the client's earnest money to be deposited with a title company without the client's consent, in violation of Section 15(a)(6)(W) of The Real Estate License Act
Ballard, Jeffery Ty (Austin); license# 443478	Revocation of salesperson license, effective July 30, 2002	payment of \$50,000.00 made by the Texas Real Estate Commission from the Real Estate Recovery Fund toward satisfaction of a judgment against Jeffery Ty Ballard, in violation of Section 8(i) of The Real Estate License Act
Ranson, Amy Waller (San Antonio); license# 376408	Agreed reprimand of salesperson license, entered July 17, 2002; Agreed administrative penalty of \$200, entered July 17, 2002	failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission
Jones, Christina Elisabeth (Copperas Cove); license# 273133	6-month suspension of broker license fully probated for 1 year, effective July 31, 2002	preparing a contract which did not accurately reflect the property description and the true agreement of the seller and buyer, in violation of Section 15(a)(5)(W); deficiencies in formalizing the intermediary relationship, in violation of Section 15C(h) of The Real Estate License Act

Information Services Division
Electronic Information Outlet Statistics

July 2002

	Current Month	YTD
World Wide Web		
Total Pages Viewed	1,239,182	11,152,035

	Current Month	YTD
TRECFax		
Documents Requested	706	8,013

	Current Month	YTD
Total		
Documents Accessed	1,239,888	11,160,048

TREC-L List Server		
Current Subscribers	17,401	

	Total	Online	Online Percent
Online Transactions			
Broker Renewals	1,799	272	15.12%
Salesperson Renewals	2,318	406	17.52%
Salesperson Applications	1,432	593	41.41%

Licensing and Education Division

Fiscal Year Comparison

Fiscal Year 2002 - Year to Date

	This FY 09/01-07/02	Last FY 09/00-07/01	Change Count	Change Percent
Applications Received				
Broker Original Applications Received	1,454	1,182	272	23.01%
Sales Original Applications Received	<u>13,616</u>	<u>9,409</u>	<u>4,207</u>	<u>44.71%</u>
Total Original Applications	15,070	10,591	4,479	42.29%
Broker Late Renewal Applications Received	1,029	998	31	3.11%
Sales Late Renewal Applications Received	<u>3,326</u>	<u>3,250</u>	<u>76</u>	<u>2.34%</u>
Total Late Renewal Applications Received	4,355	4,248	107	2.52%
Licenses Issued from Applications				
Broker Licenses from Original Applications	1,349	1,057	292	27.63%
Sales Licenses from Original Applications	<u>14,317</u>	<u>7,643</u>	<u>6,674</u>	<u>87.32%</u>
Total Licenses from Original Applications	15,666	8,700	6,966	80.07%
Broker Licenses from Late Renewal Applications	1,068	1,044	24	2.30%
Sales Licenses from Late Renewal Applications	<u>5,113</u>	<u>3,200</u>	<u>1,913</u>	<u>59.78%</u>
Total Licenses from Late Renewal Applications	6,181	4,244	1,937	45.64%

Licensing and Education Division

Licensee and Registrant Status

July 2002

Real Estate Licensees													
	Jul 01	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01	Jan 02	Feb 02	Mar 02	Apr 02	May 02	Jun 02	Jul 02
Broker Licensees													
Individual (Active)	33,372	33,342	33,299	33,253	33,202	33,177	33,240	33,291	33,296	33,289	33,260	33,285	33,294
Corporation (Active)	3,590	3,598	3,607	3,607	3,611	3,615	3,625	3,643	3,633	3,649	3,668	3,667	3,672
LLC (Active)	354	359	367	379	389	396	402	412	422	434	432	443	448
Non-resident (Active)	491	491	486	484	478	477	475	476	478	476	472	467	464
Partnership (Active)	4	3	2	2	2	2	2	2	2	2	2	2	2
Total Active Status	37,811	37,793	37,761	37,725	37,682	37,667	37,744	37,824	37,831	37,850	37,834	37,864	37,880
Inactive Status	1,881	1,880	1,878	1,877	1,882	1,859	1,867	1,871	1,871	1,855	1,849	1,835	1,808
Total Brokers	39,692	39,673	39,639	39,602	39,564	39,526	39,611	39,695	39,702	39,705	39,683	39,699	39,688
Sales Licensees													
Active Status	49,393	49,767	49,898	50,210	50,381	50,368	50,088	50,632	51,034	51,603	52,296	52,568	53,136
Inactive Status	22,625	22,551	22,606	22,818	22,882	23,284	24,243	24,166	24,199	24,131	24,074	24,155	24,253
Total Sales	72,018	72,318	72,504	73,028	73,263	73,652	74,331	74,798	75,233	75,734	76,370	76,723	77,389
Total Active	87,204	87,560	87,659	87,935	88,063	88,035	87,832	88,456	88,865	89,453	90,130	90,432	91,016
Total Inactive	24,506	24,431	24,484	24,695	24,764	25,143	26,110	26,037	26,070	25,986	25,923	25,990	26,061
Total Brokers & Sales	111,710	111,991	112,143	112,630	112,827	113,178	113,942	114,493	114,935	115,439	116,053	116,422	117,077
Inspectors													
	Jul 01	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01	Jan 02	Feb 02	Mar 02	Apr 02	May 02	Jun 02	Jul 02
Inspector Licensees													
Professional Inspectors	1,798	1,813	1,832	1,852	1,879	1,901	1,919	1,923	1,938	1,944	1,964	1,968	1,994
Real Estate Inspectors	171	176	170	174	177	180	175	175	175	170	169	175	174
Apprentice Inspectors	201	207	203	200	191	191	187	184	189	191	189	184	189
Total Inspectors	2,170	2,196	2,205	2,226	2,247	2,272	2,281	2,282	2,302	2,305	2,322	2,327	2,357
Easement & Right-of-way Registrants													
	Jul 01	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01	Jan 02	Feb 02	Mar 02	Apr 02	May 02	Jun 02	Jul 02
ERW Registrants													
Businesses	39	38	39	41	41	41	45	39	39	38	39	39	41
Individuals	914	914	914	920	922	896	892	858	861	878	883	868	866
Total Registrants	953	952	953	961	963	937	937	897	900	916	922	907	907
Total Licensees and Registrants													
	Jul 01	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01	Jan 02	Feb 02	Mar 02	Apr 02	May 02	Jun 02	Jul 02
All Licensees & Registrants	114,833	115,139	115,301	115,817	116,037	116,387	117,160	117,672	118,137	118,660	119,297	119,656	120,341

Licensing and Education Division

Examination Activity

July 2002

Monthly Results

	<u>Salesperson</u>	<u>Broker</u>	<u>R. E. Inspector</u>	<u>Prof. Inspector</u>
Examinations Passed	1,097	68	2	54
Examinations Failed	1,906	78	7	79
Examinations Taken	3,003	146	9	133
Applicants Examined	1,726	82	6	105
1st Time Passed	654	36	1	39
Examination Pass Rate	36.53%	46.58%	22.22%	40.60%
Applicant Pass Rate	63.56%	82.93%	33.33%	51.43%
1st Time Pass Rate	37.89%	43.90%	16.67%	37.14%

Year-to-Date Results

	<u>Salesperson</u>	<u>Broker</u>	<u>R. E. Inspector</u>	<u>Prof. Inspector</u>
Examinations Passed	10,834	1,035	30	347
Examinations Failed	20,396	1,327	79	644
Examinations Taken	31,230	2,362	109	991
Applicants Examined	12,937	1,144	54	573
1st Time Passed	5,178	535	10	178
Examination Pass Rate	34.69%	43.82%	27.52%	35.02%
Applicant Pass Rate	83.74%	90.47%	55.56%	60.56%
1st Time Pass Rate	40.02%	46.77%	18.52%	31.06%

Staff Services Division

Agency Financial Statement

July 2002

THRU 11th MONTH OF FISCAL YEAR 2002

STRATEGIES	FY 2002 APPROPRIATION *	10/12 ANNUAL APPROPRIATION	10 MONTHS EXPENDITURES A/P AND ENC.	DOLLAR VARIANCE OVER(-) OR UNDER	PERCENT VARIANCE OVER(-) OR UNDER
Licensing	\$ 1,223,812.51	\$ 1,121,828.13	\$ 1,049,144.88	\$ 72,683.25	6.48%
Enforcement	1,019,973.31	934,975.53	978,884.27	(43,908.74)	-4.70%
Communication/Information	798,962.61	732,382.39	643,739.33	88,643.06	12.10%
Indirect Administration	1,355,522.62	1,242,562.40	1,351,325.09	(108,762.69)	-8.75%
TOTAL	\$ <u>4,398,271.05</u>	* \$ <u>4,031,748.45</u>	\$ <u>4,023,093.57</u>	\$ <u>8,654.88</u>	0.21% **

* Total appropriations have been increased by \$50,830 for benefit replacement pay, \$30,000 for longevity increases, and \$104,880 for the salary increase authorized by the Legislature and \$59,724.27 to pay Workers' Compensation premium to the State Office of Risk Management.

**Variance reflects annual hardware maintenance and software support due at the beginning of a new fiscal year and the legislative provision which requires the encumbrance of all contractual obligations through the end of the fiscal year.

Staff Services Division
Real Estate Recovery Fund No. 971 Investments
Current Securities
July 2002

Purchase Date	Par Value	Purchase Price	Beginning Market Value	Additions Changes	Ending Market Value	Accrued Interest	Description	Maturity Date
02/26/1996	300,000.00	313,312.50	301,687.50	(1,218.75)	300,468.75	8,765.63	U.S. T-Notes, 6.375%	08/15/2002
10/21/1999	200,000.00	201,500.00	205,437.50	(625.00)	204,812.50	5,729.17	U.S. T-Notes, 6.25%	02/15/2003
10/21/1999	100,000.00	98,937.50	104,000.00	156.25	104,156.25	2,635.42	U.S. T-Notes, 5.75%	08/15/2003
10/31/1996	100,000.00	97,656.25	104,000.00	156.25	104,156.25	2,635.42	U.S. T-Notes, 5.750%	08/15/2003
01/22/1997	300,000.00	291,375.00	315,843.75	1,968.75	317,812.50	8,078.13	U.S. T-Notes, 5.875%	02/15/2004
09/28/2000	100,000.00	100,312.50	106,281.25	1,218.75	107,500.00	2,750.00	U.S. T-Notes, 6.00%	08/05/2004
09/28/2000	300,000.00	307,406.25	325,968.75	4,500.00	330,468.75	4,062.50	U.S. T-Notes, 6.50%	05/15/2005
09/28/2001	100,000.00	107,968.75	106,812.50	1,968.75	108,781.25	1,197.92	U.S. T-Notes, 5.75%	11/15/2005
02/15/2001	300,000.00	309,000.00	319,875.00	6,281.25	326,156.25	7,734.38	U.S. T-Notes, 5.625%	02/15/2006
03/07/2002	100,000.00	96,500.00	98,343.75	2,343.75	100,687.50	729.17	U.S. T-Notes, 3.50%	11/15/2006
03/07/2002	100,000.00	107,968.75	109,531.25	2,375.00	111,906.25	2,864.58	U.S. T-Notes, 6.25%	02/15/2007
Totals	\$ 2,000,000.00	\$ 2,031,937.50	\$ 2,097,781.25	\$ 19,125.00	\$ 2,116,906.25	\$ 47,182.32		

	Current Month	Cumulative Totals
Receipts:		
Licenseses' Remittances to Recovery Fund	\$ 15,610.00	\$ 4,409,031.08
Interest Realized	0.00	5,275,637.93
Repayments to Recovery Fund (Principal and Interest)	2,830.15	877,330.39
Administrative Penalties	900.00	192,050.00
Total Received	\$ 19,340.15	\$ 10,754,049.40
Disbursements:		
Investments Purchased (See Securities List)	\$ 0.00	\$ 2,031,937.50
Accrued Interest Purchased (See Securities List)	0.00	1,428.17
Payments from Recovery Fund	0.00	8,529,971.29
Rider Disbursements	46.11	9,185.29
Total Disbursed	46.11	10,572,522.25
Totals	\$ 19,294.04 <small>(Current Month)</small>	\$ 181,527.15
Reserved for Payments (Security)		100,000.00
Reserved for Payments Within Next 90 Days		(215,500.00)
Balance		\$ 66,027.15

Investment Position: The Fund is capable of meeting all known obligations.
Investment Compliance: The Investment Policy of the Commission has been followed.


Alan R. Waters, Investment Officer


Karen Alexander, Alternate Investment Officer

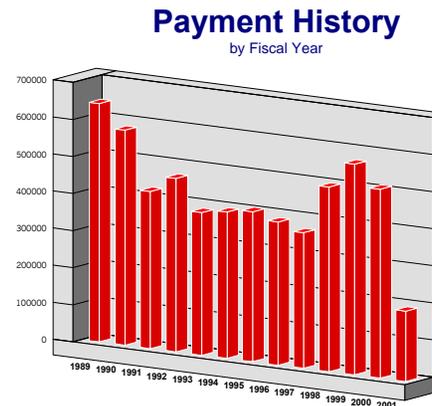
Staff Services Division
Real Estate Recovery Fund No. 971
Payments and Repayments
July 2002

Month-Year	Payment Total	Repayment Total	Admin. Penalties Total	Rider Disbursements	Payments FY 2002 To Date	Number of Payments
July 2001	76,072.99	1,704.18	400.00	0.00		
August 2001	28,307.88	2,404.18	2,050.00	32.34		
September 2001	37,408.92	1,704.18	850.00	0.00	37,408.92	1
October 2001	124,842.13	13,768.39	900.00	33.00	124,842.13	3
November 2001	53,829.44	2,204.18	2,000.00	0.00	53,829.44	2
December 2001	23,563.01	12,718.15	0.00	0.00	23,563.01	1
January 2002	11,380.39	3,976.40	(4,350.00)	47.42	11,380.39	1
February 2002	50,000.00	2,230.15	900.00	10.00	50,000.00	1
March 2002	3,979.13	4,364.65	1,500.00	0.00	3,979.13	1
April 2002	44,612.05	2,148.00	1,200.00	11.00	44,612.05	2
May 2002	35,673.90	3,297.40	900.00	55.92	35,673.90	2
June 2002	95,919.01	3,316.15	1,400.00	9.00	95,919.01	3
July 2002	0.00	2,830.15	900.00	46.11	0.00	0
	585,588.85	56,666.16	8,650.00	244.79	481,207.98	17

Payment History		
Fiscal Year	# of Payments	Total Payments
thru 1988	221	\$2,236,975.54
1989	47	\$642,518.64
1990	42	\$579,467.82
1991	39	\$423,560.08
1992	35	\$467,668.69
1993	33	\$384,067.85
1994	31	\$394,466.36
1995	29	\$404,449.31
1996	26	\$385,724.99
1997	20	\$365,445.94
1998	27	\$497,406.17
1999	21	\$568,326.88
2000	18	\$509,279.95
2001	11	\$189,405.09

Projected Payments *

Next 3 Months \$ 215,500.00



* Projected Payments: Payments could be made in the time periods indicated. Several time/work variables can affect the actual payment dates.

Staff Services Division

Real Estate Inspection Recovery Fund No. 988

July 2002

	Monthly Activity			Payment History		
	Beginning Balance	Current Month	Cumulative Totals	Fiscal Year	Number of Payments	Total Payments
Beginning Balance	\$ 633,290.13		\$ 633,290.13	1991	2	\$ 4,309.26
Receipts:				1992	0	0.00
Licensees' Remittances to Recovery Fund		4,600.00		1993	2	15,000.00
Interest Realized		1,410.63		1994	5	31,473.40
Repayments		0.00		1995	4	25,668.83
Administrative Penalties		0.00		1996	2	7,500.00
Total Received in Current Month		6,010.63	\$ 6,010.63	1997	1	7,500.00
Disbursements:				1998	4	30,000.00
Payments from Recovery Fund	\$ 0.00			1999	1	7,500.00
Cash Transfer to General Revenue	0.00			2000	6	45,000.00
Rider Disbursements	0.00			2001	0	0.00
Total Disbursed in Current Month		0.00	\$ 0.00	2002	2	15,000.00
Fund Balance			\$ <u>639,300.76</u>			\$ <u>188,951.49</u>

Investment Position: The Fund is capable of meeting all known obligations.
 Investment Compliance: The Investment Policy of the Commission has been followed.

Alan R. Waters

Alan R. Waters, Investment Officer

Karen Alexander

Karen Alexander, Alternate Investment Officer