



Staff Reports for February 2004

Texas Real Estate Commission

Monthly Staff Reports

Contents

| <u>Report</u> | <u>Report Description</u> | <u>Division</u> | <u>Director</u> |
|---------------|--|-----------------------|-------------------|
| L1 | Fiscal Year Comparison | Licensing & Education | Sabrina Hassumani |
| L2 | Real Estate Licensee Status | Licensing & Education | Sabrina Hassumani |
| L3 | Examination Statistics | Licensing & Education | Sabrina Hassumani |
| E1 | Case Status | Enforcement | Linda Bayless |
| E2 | Administrative Orders | Enforcement | Linda Bayless |
| I1 | Electronic Information Outlet Statistics | Information Services | Tom Watson |
| S1 | Agency Financial Statement | Staff Services | Alan Waters |
| S2 | Real Estate Recovery Fund Investments - Current Securities | Staff Services | Alan Waters |
| S3 | Real Estate Recovery Fund Payments and Repayments | Staff Services | Alan Waters |
| S4 | Inspection Recovery Fund Status | Staff Services | Alan Waters |

Licensing and Education Division

Fiscal Year Comparison

Fiscal Year 2004 - Year to Date

| | This FY | Last FY | Count | Change | |
|--|--------------|--------------|--------------|--------|---------------|
| | 09/03-02/04 | 09/02-02/03 | | | Percent |
| Applications Received | | | | | |
| Broker Original Applications Received | 789 | 616 | 173 | | 28.08% |
| Sales Original Applications Received | 8,295 | 6,916 | 1,379 | | 19.94% |
| Total Original Applications | 9,084 | 7,532 | 1,552 | | 20.61% |
| Broker Late Renewal Applications Received | 559 | 495 | 64 | | 12.93% |
| Sales Late Renewal Applications Received | 2,148 | 1,908 | 240 | | 12.58% |
| Total Late Renewal Applications Received | 2,707 | 2,403 | 304 | | 12.65% |
| Licenses Issued from Applications | | | | | |
| Broker Licenses from Original Applications | 687 | 516 | 171 | | 33.14% |
| Sales Licenses from Original Applications | 6,024 | 4,515 | 1,509 | | 33.42% |
| Total Licenses from Original Applications | 6,711 | 5,031 | 1,680 | | 33.39% |
| Broker Licenses from Late Renewal Applications | 587 | 503 | 84 | | 16.70% |
| Sales Licenses from Late Renewal Applications | 2,142 | 1,813 | 329 | | 18.15% |
| Total Licenses from Late Renewal Applications | 2,729 | 2,316 | 413 | | 17.83% |
| Renewal Activity for Expirations | | | | | |
| Broker Timely Renewals Percentage | 89.26% | 88.45% | | | 0.81% |
| Sales Timely (1 year) Renewals Percentage | 77.63% | 76.87% | | | 0.76% |
| Sales Timely (2 year) Renewals Percentage | 83.49% | 83.44% | | | 0.05% |

Licensing and Education Division

Licensee and Registrant Status

February 2004

Real Estate Licensees

| | Feb 03 | Mar 03 | Apr 03 | May 03 | Jun 03 | Jul 03 | Aug 03 | Sep 03 | Oct 03 | Nov 03 | Dec 03 | Jan 04 | Feb 04 |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Broker Licensees | | | | | | | | | | | | | |
| Individual (Active) | 33,100 | 33,046 | 32,993 | 32,955 | 32,905 | 32,889 | 32,847 | 32,817 | 32,787 | 32,757 | 32,767 | 32,827 | 32,872 |
| Corporation (Active) | 3,728 | 3,746 | 3,759 | 3,760 | 3,767 | 3,772 | 3,789 | 3,790 | 3,794 | 3,796 | 3,802 | 3,820 | 3,831 |
| LLC (Active) | 508 | 526 | 536 | 546 | 561 | 582 | 590 | 603 | 631 | 643 | 654 | 678 | 693 |
| Non-resident (Active) | 449 | 448 | 445 | 443 | 444 | 441 | 437 | 434 | 433 | 431 | 429 | 425 | 425 |
| Partnership (Active) | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 2 |
| Total Active Status | 37,787 | 37,768 | 37,736 | 37,707 | 37,680 | 37,687 | 37,666 | 37,646 | 37,647 | 37,629 | 37,654 | 37,752 | 37,823 |
| <i>Inactive Status</i> | 1,737 | 1,720 | 1,717 | 1,720 | 1,712 | 1,696 | 1,700 | 1,695 | 1,708 | 1,692 | 1,683 | 1,687 | 1,692 |
| Total Brokers | 39,524 | 39,488 | 39,453 | 39,427 | 39,392 | 39,383 | 39,366 | 39,341 | 39,355 | 39,321 | 39,337 | 39,439 | 39,515 |
| Sales Licensees | | | | | | | | | | | | | |
| Active Status | 54,492 | 55,107 | 55,656 | 56,278 | 56,720 | 57,154 | 57,764 | 58,121 | 58,768 | 58,931 | 59,043 | 58,710 | 59,197 |
| Inactive Status | 25,183 | 25,077 | 24,940 | 24,695 | 24,763 | 24,754 | 24,532 | 24,553 | 24,693 | 24,851 | 25,056 | 25,830 | 25,769 |
| Total Sales | 79,675 | 80,184 | 80,596 | 80,973 | 81,483 | 81,908 | 82,296 | 82,674 | 83,461 | 83,782 | 84,099 | 84,540 | 84,966 |
| Total Active | 92,279 | 92,875 | 93,392 | 93,985 | 94,400 | 94,841 | 95,430 | 95,767 | 96,415 | 96,560 | 96,697 | 96,462 | 97,020 |
| Total Inactive | 26,920 | 26,797 | 26,657 | 26,415 | 26,475 | 26,450 | 26,232 | 26,248 | 26,401 | 26,543 | 26,739 | 27,517 | 27,461 |
| Total Brokers & Sales | 119,199 | 119,672 | 120,049 | 120,400 | 120,875 | 121,291 | 121,662 | 122,015 | 122,816 | 123,103 | 123,436 | 123,979 | 124,481 |

Inspectors

| | Feb 03 | Mar 03 | Apr 03 | May 03 | Jun 03 | Jul 03 | Aug 03 | Sep 03 | Oct 03 | Nov 03 | Dec 03 | Jan 04 | Feb 04 |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Inspector Licensees | | | | | | | | | | | | | |
| Professional Inspectors | 2,090 | 2,100 | 2,125 | 2,134 | 2,163 | 2,192 | 2,212 | 2,235 | 2,264 | 2,286 | 2,316 | 2,337 | 2,367 |
| Real Estate Inspectors | 179 | 181 | 185 | 188 | 191 | 183 | 179 | 179 | 188 | 186 | 185 | 185 | 189 |
| Apprentice Inspectors | 201 | 199 | 195 | 204 | 200 | 201 | 208 | 206 | 214 | 214 | 210 | 201 | 203 |
| Total Inspectors | 2,470 | 2,480 | 2,505 | 2,526 | 2,554 | 2,576 | 2,599 | 2,620 | 2,666 | 2,686 | 2,711 | 2,723 | 2,759 |

Easement & Right-of-way Registrants

| | Feb 03 | Mar 03 | Apr 03 | May 03 | Jun 03 | Jul 03 | Aug 03 | Sep 03 | Oct 03 | Nov 03 | Dec 03 | Jan 04 | Feb 04 |
|--------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| ERW Registrants | | | | | | | | | | | | | |
| Businesses | 39 | 37 | 37 | 38 | 39 | 39 | 40 | 43 | 44 | 45 | 45 | 46 | 45 |
| Individuals | 799 | 799 | 785 | 775 | 769 | 775 | 770 | 760 | 758 | 763 | 767 | 768 | 795 |
| Total Registrants | 838 | 836 | 822 | 813 | 808 | 814 | 810 | 803 | 802 | 808 | 812 | 814 | 840 |

Total Licensees and Registrants

| | Feb 03 | Mar 03 | Apr 03 | May 03 | Jun 03 | Jul 03 | Aug 03 | Sep 03 | Oct 03 | Nov 03 | Dec 03 | Jan 04 | Feb 04 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| All Licensees & Registrants | 122,507 | 122,988 | 123,376 | 123,739 | 124,237 | 124,681 | 125,071 | 125,438 | 126,284 | 126,597 | 126,959 | 127,516 | 128,080 |

Licensing and Education Division

Examination Activity

February 2004

Monthly Results

| | <u>Salesperson</u> | <u>Broker</u> | <u>R. E. Inspector</u> | <u>Prof. Inspector</u> |
|---------------------------|--------------------|---------------|----------------------------|----------------------------|
| Examinations Passed | 971 | 73 | 4 | 48 |
| Examinations Failed | 1,524 | 66 | 1 | 121 |
| Examinations Taken | 2,495 | 139 | 5 | 169 |
| Applicants Examined | 1,832 | 106 | 5 | 144 |
| 1st Time Passed | 722 | 57 | 4 | 42 |
| Examination Pass Rate | 38.92% | 52.52% | 80.00% | 28.40% |
| Applicant Pass Rate | 53.00% | 68.87% | 80.00% | 33.33% |
| 1st Time Pass Rate | 39.41% | 53.77% | 80.00% | 29.17% |

Year-to-Date Results

| | <u>Salesperson</u> | <u>Broker</u> | <u>R. E. Inspector</u> | <u>Prof. Inspector</u> |
|---------------------------|--------------------|---------------|----------------------------|----------------------------|
| Examinations Passed | 6,218 | 455 | 28 | 247 |
| Examinations Failed | 9,663 | 407 | 13 | 574 |
| Examinations Taken | 15,881 | 862 | 41 | 821 |
| Applicants Examined | 8,477 | 515 | 32 | 512 |
| 1st Time Passed | 3,808 | 278 | 21 | 147 |
| Examination Pass Rate | 39.15% | 52.78% | 68.29% | 30.09% |
| Applicant Pass Rate | 73.35% | 88.35% | 87.50% | 48.24% |
| 1st Time Pass Rate | 44.92% | 53.98% | 65.63% | 28.71% |

Enforcement Division Report

Case Status

February 2004

| | February 2004 | | YTD |
|--|---------------|--|-----|
|--|---------------|--|-----|

| | | | |
|---------------------------------------|-------|---------|--|
| Open at Beginning of the Month | 328 | ----- | |
| Opened During the Month | 137 | 913 | |
| Closed During the Month | (204) | (1,389) | |
| Open at End of Month | 261 | ----- | |

| | Sep 03 | Oct 03 | Nov 03 | Dec 03 | Jan 04 | Feb 04 | Mar 04 | Apr 04 | May 04 | Jun 04 | Jul 04 | Aug 04 | FY04 |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------|
| Opened During Month: | 278 | 103 | 152 | 100 | 143 | 137 | | | | | | | |
| Administrative | 137 | 33 | 87 | 30 | 37 | 30 | | | | | | | |
| Public Complaints | 57 | 38 | 33 | 32 | 63 | 39 | | | | | | | |
| Application Investigations | 48 | 22 | 24 | 27 | 24 | 25 | | | | | | | |
| Moral Character Determinations | 30 | 10 | 8 | 5 | 16 | 31 | | | | | | | |
| Non-Jurisdictional Complaints | 6 | 0 | 0 | 6 | 3 | 12 | | | | | | | |
| Closed During Month: | 165 | 273 | 318 | 311 | 118 | 204 | | | | | | | |
| Administrative | 53 | 125 | 156 | 118 | 28 | 55 | | | | | | | |
| Public Complaints | 59 | 107 | 82 | 125 | 58 | 103 | | | | | | | |
| Application Investigations | 28 | 23 | 62 | 47 | 24 | 16 | | | | | | | |
| Moral Character Determinations | 19 | 18 | 14 | 15 | 8 | 27 | | | | | | | |
| Non-Jurisdictional Complaints | 6 | 0 | 4 | 6 | 0 | 3 | | | | | | | |
| Open at End of Month | 850 | 680 | 514 | 303 | 328 | 261 | | | | | | | |

Enforcement Division

Administrative Actions

February 2004

| Name and Location | Order | Basis for Order |
|--|---|--|
| Sommer, Mark Allen (Addison); license# 311240 | Agreed reprimand of broker license, entered February 5, 2004; Agreed administrative penalty of \$500, entered February 5, 2004 | failing to complete mandatory continuing education hours within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission |
| Grimes, Harold E. (Tyler); license# | Agreed reprimand of approval as a real estate instructor, entered February 13, 2004; Agreed administrative penalty of \$1,000, entered February 13, 2004 | failing to teach a course in substantially the same manner represented to the Commission in the instructor's manual, in violation of 22 TAC §535.65(d)(2); failing to grade the course examinations with an unweighted passing score, in violation of 22 TAC §535.65(e)(2); failing to provide instructor evaluation forms for completion by students in every class, in violation of 22 TAC §535.65(d)(3); making a false representation to the Commission that a person had completed a requirement for course credit pursuant to 22 TAC §535.66(f)(1); aiding or abetting a person to circumvent a requirement for course credit in violation of 22 TAC §535.66(f)(2) |
| Anderson, Archie L. (Rockwall); license# 4838 | Agreed 2 month suspension of professional inspector license, effective February 20, 2004, to be probated for 18 months effective March 20, 2004; Agreed administrative penalty of \$3,000 | performing a real estate inspection in a negligent or incompetent manner, in violation of §23(l)(3) of The Real Estate License Act, Art. 6573a, Texas Civil Statutes [§1102.301 of the Texas Occupations Code, effective June 1, 2003]; failing to report as in need of repair conditions or symptoms which may indicate water penetration which are present and visible, such as improper grading around foundation walls or plumbing leaks and failing to report as in need of repair conditions that are present and visible and may be adversely affecting foundation performance, such as erosion or ponding, in violation of 22 TAC §535.228(a)(8) and (9) |
| Burchell, Rita Rene (Plano); license# 495511 | Agreed 1-month suspension of salesperson license fully probated for 6 months, effective February 27, 2004 | acting negligently or incompetently as a buyer's agent when she received a termite report for the buyer but did not review it, nor provide a copy to the buyer until the date of closing, in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations code, effective June 1, 2003] |
| Boone, Virginia Jacqueline (Weatherford); license# 207326 | Revocation of salesperson license, effective February 10, 2004 | failing within a reasonable time to provide information to the Commission in response to Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC §535.91(a) of the Rules of the Texas Real Estate Commission |
| Decker McKim Realtors, LLC (Seabrook); license# 433306 | Agreed reprimand of limited liability company broker license, entered February 24, 2004; Agreed administrative penalty of \$500, entered February 24, 2004 | failing to supervise adequately a sponsored salesperson who committed certain violations of The Real Estate License Act and the Commission's Rules in a real estate transaction, in violation of §1101.652(b)(1) of the Texas Occupations Code; failing to obtain the written consent of both parties to act as an intermediary in the transaction, in violation of §1101.559 of the Texas Occupations Code |

Enforcement Division

Administrative Actions

February 2004

| Name and Location | Order | Basis for Order |
|--|---|---|
| McKim, George Decker (Seabrook); license# 83458 | Agreed reprimand of broker license, entered February 24, 2004 | while acting as the designated manager for a licensed limited liability company, failing to supervise adequately a sponsored salesperson who committed certain violations of The Real Estate License Act and the Commission's Rules in a real estate transaction, in violation of §1101.652(b)(1) of the Texas Occupations Code; failing to obtain the written consent of both parties for the limited liability company to act as an intermediary in the transaction, in violation of §1101.559 of the Texas Occupations Code |
| Tyler Real Estate College (Tyler); license# 533 | Agreed revocation of proprietary school accreditation, fully probated for 2 years, effective February 28, 2004; Agreed reprimand of \$2,000, | making a false representation to the Commission that a person had completed a requirement for course credit in violation of 22 TAC §535.66(d)(2); aiding or abetting a person to circumvent a requirement for course credit in violation of 22 TAC §535.66(d)(3); failing to maintain records of each student enrolled in any course for a minimum of five years, and failing to retain the full class file for at least twelve months following the completion of the class, in violation of 22 TAC §535.65(i)(4); failure to provide instructor evaluation forms for completion by students in every class, in violation of 22 TAC §535.65(d)(3); failing to administer final exams consisting of sixty questions with an unweighted passing score of 70%, in violation of 22 TAC §535.65(e)(2); failing to teach a course in substantially the same manner represented to the Commission in the instructor's manual in violation of 22 TAC §535.65(d)(2); failing to provide adequate security fo the completion of certificates and letters, in violation of 22 TAC §535.65(i)(3) |
| Guerrero, Alfredo M. (Killeen); license# 448348 | Agreed reprimand of broker license, entered February 10, 2004 | failed to properly monitor and train a sponsored salesperson regarding the handling of property management accounts and activities, in violation of §1(c) of The Real Estate License Act [§1101.803 of the Texas Occupations Code, effective June 1, 2003], and in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]. |
| Wilson, Gerald Michael (Houston); license# 216383 | Agreed reprimand of salesperson license, entered February 13, 2004; Agreed administrative penalty of \$250, entered February 13, 2004 | failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission |
| Griffin, M. Lynne (Haslet); license# 431664 | Revocation of broker license, effective February 27, 2004 | conducted real estate brokerage activities either individually or through associated salespersons after her broker's license expired and subsequently filed a late renewal application wherein she responded "NO" to the question "Have you ever acted, or attempted to act, as a real estate broker at a time when not properly licensed?" and is guilty of procuring a real estate license for herself by fraud, misrepresentation, or deceit, or by making a material misstatement of fact in an application for a real estate license, in violation of §15(a)(2) of The Real Estate License Act [§1101.652(a)(2) of the Texas Occupations Code, effective June 1, 2003] |

Enforcement Division

Administrative Actions

February 2004

| Name and Location | Order | Basis for Order |
|--|--|--|
| Erickson, Virginia (Southlake); license# 276594 | Agreed reprimand of broker license, entered February 20, 2004; Agreed administrative penalty of \$750 entered February 20, 2004 | acting negligently or incompetently as listing agent when she knew, or should have known, the buyer failed to deposit the earnest money in a sales contract and failed to inform the seller of this significant information, in violation of §15(a)(6)(W) of The Real Estate Licence Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003] |

Information Services Division

Electronic Information Outlet Statistics

February 2004

| | Current Month | YTD |
|-----------------------|---------------|-----------|
| World Wide Web | | |
| Total Pages Viewed | 1,334,146 | 7,408,793 |

| | |
|---------------------------|--------|
| TREC-L List Server | |
| Current Subscribers | 69,075 |

| | Total | Online | Online Percent | YTD Online Percent |
|----------------------------------|-------|--------|----------------|--------------------|
| Online Transactions | | | | |
| Broker Renewals | 1,470 | 373 | 25.4% | 26.6% |
| Salesperson Renewals | 2,002 | 573 | 28.6% | 30.7% |
| Salesperson Applications | 1,393 | 776 | 55.7% | 56.8% |
| Professional Inspector Renewals | 148 | 19 | 12.8% | 9.0% |
| Real Estate Inspector Renewals | 7 | 0 | 0.0% | 8.6% |
| Apprentice Inspector Renewals | 2 | 0 | 0.0% | 8.8% |
| Easement ROW Business Renewals | 4 | 0 | 0.0% | 0.0% |
| Easement ROW Individual Renewals | 52 | 6 | 11.5% | 8.5% |

Staff Services Division

Agency Financial Statement

February 2004

THRU 6th MONTH OF FISCAL YEAR 2004

| STRATEGIES | FY 2004 APPROPRIATION * | 6/12 ANNUAL APPROPRIATION | SIX MONTHS EXPENDITURES A/P AND ENC. | DOLLAR VARIANCE OVER(-) OR UNDER | PERCENT VARIANCE OVER(-) OR UNDER |
|----------------------------------|-------------------------------|-------------------------------|--|-------------------------------------|--------------------------------------|
| Licensing | \$ 1,152,978.74 | \$ 576,489.37 | \$ 606,184.57 | \$ (29,695.20) | -5.15% |
| Enforcement | 1,228,198.25 | 614,099.13 | 673,691.29 | (59,592.16) | -9.70% |
| Communication/Information | 475,428.30 | 237,714.15 | 274,818.84 | (37,104.69) | -15.61% |
| Indirect Administration | 1,185,064.71 | 592,532.36 | 681,956.36 | (89,424.00) | -15.09% |
| TOTAL | \$ <u>4,041,670.00</u> | \$ <u>2,020,835.01</u> | \$ <u>2,236,651.06</u> | \$ <u>(215,816.05)</u> | -10.68% ** |

* Total appropriations have been increased by \$41,013 for benefit replacement pay. In the Licensing strategy, subscription fees in the amount of \$89,413 have been collected and remitted to the Texas Online vendor. The Communication strategy has been increased by \$180,000 to reflect anticipated appropriated receipts.

**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 Trust Account No. 971 Investments

Current Securities

February 2004

| Purchase Date | Par Value | Purchase Price | Beginning Market Value | Additions Changes | Ending Market Value | Accrued Interest | Description | Maturity Date |
|---------------|---------------|----------------|------------------------|-------------------|---------------------|------------------|----------------------|---------------|
| 01/22/1997 | 0.00 | 0.00 | 300,468.75 | (300,468.75) | 0.00 | 0.00 | U.S. T-Notes, 5.875% | 02/15/2004 |
| 09/28/2000 | 100,000.00 | 100,312.50 | 102,593.75 | (343.75) | 102,250.00 | 2,750.00 | U.S. T-Notes, 6.00% | 08/05/2004 |
| 02/20/2004 | 100,000.00 | 100,781.25 | 0.00 | 100,656.25 | 100,656.25 | 7,791.67 | U.S. T-Notes, 2.00% | 11/30/2004 |
| 09/28/2000 | 300,000.00 | 307,406.25 | 319,406.25 | (562.50) | 318,843.75 | 13,812.50 | U.S. T-Notes, 6.50% | 05/15/2005 |
| 09/28/2001 | 100,000.00 | 107,968.75 | 107,125.00 | 62.50 | 107,187.50 | 4,072.92 | U.S. T-Notes, 5.75% | 11/15/2005 |
| 02/15/2001 | 300,000.00 | 309,000.00 | 322,781.25 | 468.75 | 323,250.00 | 7,734.38 | U.S. T-Notes, 5.625% | 02/15/2006 |
| 03/07/2002 | 100,000.00 | 96,500.00 | 103,375.00 | 562.50 | 103,937.50 | 2,479.17 | U.S. T-Notes, 3.50% | 11/15/2006 |
| 03/07/2002 | 100,000.00 | 107,968.75 | 111,375.00 | 468.75 | 111,843.75 | 2,864.58 | U.S. T-Notes, 6.25% | 02/15/2007 |
| 08/23/2002 | 300,000.00 | 300,468.75 | 306,562.50 | 2,531.25 | 309,093.75 | 4,468.75 | U.S. T-Notes, 3.25% | 08/15/2007 |
| 02/28/2003 | 180,000.00 | 203,231.25 | 198,675.00 | 1,406.25 | 200,081.25 | 4,537.50 | U.S. T-Notes, 5.50% | 02/15/2008 |
| 02/20/2004 | 300,000.00 | 299,718.75 | 0.00 | 224,687.50 | 224,687.50 | 7,791.67 | U.S. T-Notes, 3.00% | 02/15/2009 |
| 08/27/2003 | 200,000.00 | 218,625.00 | 222,750.00 | 77,906.25 | 300,656.25 | 7,791.67 | U.S. T-Notes, 5.50% | 05/15/2009 |
| Totals | \$ 200,000.00 | \$ 201,093.75 | \$ 2,095,112.50 | \$ 107,375.00 | \$ 2,202,487.50 | \$ 10,541.67 | | |

| | Current Month | Cumulative Totals |
|--|-----------------------|--------------------------|
| Receipts: | | |
| Licenses' Remittances to Recovery Fund | \$ 16,850.00 | \$ 4,713,540.08 |
| Interest Realized | 41,825.00 | 5,473,714.83 |
| Repayments to Recovery Fund (Principal and Interest) | 10,718.15 | 942,532.19 |
| Administrative Penalties | 3,500.00 | 242,950.00 |
| Total Received | \$ 72,893.15 | \$ 11,372,737.10 |
| Disbursements: | | |
| Investments Purchased (See Securities List) | \$ 109,125.00 | \$ 2,151,981.25 |
| Accrued Interest Purchased (See Securities List) | 571.72 | 571.72 |
| Payments from Recovery Fund | 30,000.00 | 8,889,318.30 |
| Rider Disbursements | 0.00 | 9,519.23 |
| Total Disbursed | 139,696.72 | 11,051,390.50 |
| Totals | \$ (66,803.57) | \$ 321,346.60 |
| | (Current Month) | |
| Reserved for Payments (Security) | | 0.00 |
| Reserved for Payments Within Next 90 Days | | (193,500.00) |
| Balance | | \$ 127,846.60 |

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 Trust Account No. 971

Payments and Repayments

February 2004

| Month-Year | Payment Total | Repayment Total | Admin. Penalties Total | Rider Disbursements | Payments FY 2004 To Date | Number of Payments |
|----------------|-------------------|------------------|------------------------|---------------------|--------------------------|--------------------|
| February 2003 | (3,769.10) | 3,645.71 | 2,000.00 | 57.75 | 0.00 | 0 |
| March 2003 | 0.00 | 4,481.68 | 2,750.00 | 0.00 | 0.00 | 0 |
| April 2003 | 71,605.18 | 4,586.22 | 3,750.00 | 0.00 | 0.00 | 0 |
| May 2003 | 9,379.69 | 3,980.30 | 3,300.00 | 0.00 | 0.00 | 0 |
| June 2003 | 8,537.91 | 2,162.58 | 1,500.00 | 31.00 | 0.00 | 0 |
| July 2003 | 0.00 | 103.89 | 3,350.00 | 11.00 | 0.00 | 0 |
| August 2003 | 0.00 | 2,250.21 | 2,000.00 | 0.00 | 0.00 | 0 |
| September 2003 | 0.00 | 2,252.25 | 1,500.00 | 18.00 | 0.00 | 0 |
| October 2003 | 0.00 | 145.97 | 3,750.00 | 0.00 | 0.00 | 0 |
| November 2003 | 20,519.50 | 619.19 | 2,500.00 | 0.00 | 20,519.50 | 1 |
| December 2003 | 0.00 | 487.00 | 2,750.00 | 0.00 | 0.00 | 0 |
| January 2004 | 0.00 | 169.29 | 8,500.00 | 31.10 | 0.00 | 0 |
| February 2004 | 30,000.00 | 10,718.15 | 3,500.00 | 0.00 | 30,000.00 | 1 |
| | 136,273.18 | 35,602.44 | 41,150.00 | 148.85 | 50,519.50 | 2 |

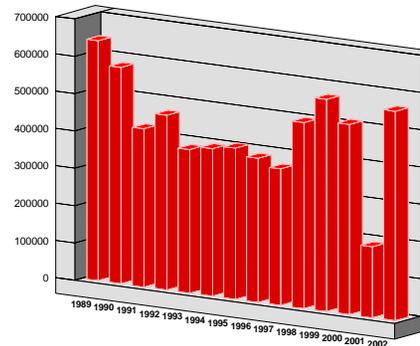
| Payment History | | |
|-----------------|---------------|----------------|
| Fiscal Year | # of Payments | Total Payments |
| thru 1988 | 221 | \$2,236,975.54 |
| 1989 | 47 | \$642,518.64 |
| 1990 | 42 | \$579,467.82 |
| 1991 | 39 | \$423,560.08 |
| 1992 | 35 | \$467,668.69 |
| 1993 | 33 | \$384,067.85 |
| 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 |
| 2002 | 19 | \$561,110.81 |
| 2003 | 11 | \$228,924.68 |

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

Projected Payments *

Next 3 Months 193,500.00

Payment History by Fiscal Year



Staff Services Division

Real Estate Inspection Recovery Fund No. 988

February 2004

Monthly Activity

| Beginning Balance | Current Month | Cumulative Totals |
|-------------------|---------------|-------------------|
|-------------------|---------------|-------------------|

| | | |
|---|---------------|-----------------------------|
| Beginning Balance | \$ 668,974.90 | \$ 668,974.90 |
| Receipts: | | |
| Licensees' Remittances to Recovery Fund | 4,800.00 | |
| Interest Realized | 823.41 | |
| Repayments | (10,664.24) | |
| Administrative Penalties | 500.00 | |
| Total Received in Current Month | | \$ (4,540.83) |
| Disbursements: | | |
| Payments from Recovery Fund | \$ 0.00 | |
| Cash Transfer to General Revenue | 0.00 | |
| Rider Disbursements | 0.00 | |
| Total Disbursed in Current Month | | \$ 0.00 |
| Fund Balance | | \$ <u>664,434.07</u> |

Payment History

| Fiscal Year | Number of Payments | Total Payments |
|-------------|--------------------|----------------|
|-------------|--------------------|----------------|

| | | |
|------|---|-----------------------------|
| 1991 | 2 | \$ 4,309.26 |
| 1992 | 0 | 0.00 |
| 1993 | 2 | 15,000.00 |
| 1994 | 5 | 31,473.40 |
| 1995 | 4 | 25,668.83 |
| 1996 | 2 | 7,500.00 |
| 1997 | 1 | 7,500.00 |
| 1998 | 4 | 30,000.00 |
| 1999 | 1 | 7,500.00 |
| 2000 | 6 | 45,000.00 |
| 2001 | 0 | 0.00 |
| 2002 | 2 | 15,000.00 |
| 2003 | 1 | 7,500.00 |
| 2004 | 2 | 17,523.96 |
| | | \$ <u>213,975.45</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, Investment Officer



Karen Alexander, Alternate Investment Officer