



Staff Reports for June 2004

Texas Real Estate Commission

Monthly Staff Reports

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Licensing and Education Division

Fiscal Year Comparison

Fiscal Year 2004 - Year to Date

	This FY 09/03-06/04	Last FY 09/02-06/03	Change Count	Percent
Applications Received				
Broker Original Applications Received	1,435	1,063	372	35.00%
Sales Original Applications Received	<u>15,177</u>	<u>12,921</u>	<u>2,256</u>	<u>17.46%</u>
Total Original Applications	16,612	13,984	2,628	18.79%
Broker Late Renewal Applications Received	926	859	67	7.80%
Sales Late Renewal Applications Received	<u>3,809</u>	<u>3,304</u>	<u>505</u>	<u>15.28%</u>
Total Late Renewal Applications Received	4,735	4,163	572	13.74%
Licenses Issued from Applications				
Broker Licenses from Original Applications	1,244	929	315	33.91%
Sales Licenses from Original Applications	<u>10,529</u>	<u>8,662</u>	<u>1,867</u>	<u>21.55%</u>
Total Licenses from Original Applications	11,773	9,591	2,182	22.75%
Broker Licenses from Late Renewal Applications	985	907	78	8.60%
Sales Licenses from Late Renewal Applications	<u>3,740</u>	<u>3,200</u>	<u>540</u>	<u>16.88%</u>
Total Licenses from Late Renewal Applications	4,725	4,107	618	15.05%
Renewal Activity for Expirations				
	June 2004	June 2003		
Broker Timely Renewals Percentage	89.67%	88.50%		1.17%
Sales Timely (1 year) Renewals Percentage	77.24%	76.51%		0.73%
Sales Timely (2 year) Renewals Percentage	83.85%	83.37%		0.48%

Licensing and Education Division

Licensee and Registrant Status

June 2004

Real Estate Licensees													
	Jun 03	Jul 03	Aug 03	Sep 03	Oct 03	Nov 03	Dec 03	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04
Broker Licensees													
Individual (Active)	32,905	32,889	32,847	32,817	32,787	32,757	32,767	32,827	32,872	32,884	32,878	32,850	32,824
Corporation (Active)	3,767	3,772	3,789	3,790	3,794	3,796	3,802	3,820	3,831	3,854	3,861	3,863	3,877
LLC (Active)	561	582	590	603	631	643	654	678	693	724	754	779	807
Non-resident (Active)	444	441	437	434	433	431	429	425	425	426	426	422	420
Partnership (Active)	3	3	3	2	2	2	2	2	2	2	2	2	2
Total Active Status	37,680	37,687	37,666	37,646	37,647	37,629	37,654	37,752	37,823	37,890	37,921	37,916	37,930
<i>Inactive Status</i>	1,712	1,696	1,700	1,695	1,708	1,692	1,683	1,687	1,692	1,690	1,680	1,674	1,688
Total Brokers	39,392	39,383	39,366	39,341	39,355	39,321	39,337	39,439	39,515	39,580	39,601	39,590	39,618
Sales Licensees													
Active Status	56,720	57,154	57,764	58,121	58,768	58,931	59,043	58,710	59,197	60,084	60,975	61,420	61,631
Inactive Status	24,763	24,754	24,532	24,553	24,693	24,851	25,056	25,830	25,769	25,553	25,324	25,258	25,499
Total Sales	81,483	81,908	82,296	82,674	83,461	83,782	84,099	84,540	84,966	85,637	86,299	86,678	87,130
Total Active	94,400	94,841	95,430	95,767	96,415	96,560	96,697	96,462	97,020	97,974	98,896	99,336	99,561
Total Inactive	26,475	26,450	26,232	26,248	26,401	26,543	26,739	27,517	27,461	27,243	27,004	26,932	27,187
Total Brokers & Sales	120,875	121,291	121,662	122,015	122,816	123,103	123,436	123,979	124,481	125,217	125,900	126,268	126,748
Inspectors													
	Jun 03	Jul 03	Aug 03	Sep 03	Oct 03	Nov 03	Dec 03	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04
Inspector Licensees													
Professional Inspectors	2,163	2,192	2,212	2,235	2,264	2,286	2,316	2,337	2,367	2,422	2,465	2,513	2,577
Real Estate Inspectors	191	183	179	179	188	186	185	185	189	191	193	197	196
Apprentice Inspectors	200	201	208	206	214	214	210	201	203	199	201	195	193
Total Inspectors	2,554	2,576	2,599	2,620	2,666	2,686	2,711	2,723	2,759	2,812	2,859	2,905	2,966
Easement & Right-of-way Registrants													
	Jun 03	Jul 03	Aug 03	Sep 03	Oct 03	Nov 03	Dec 03	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04
ERW Registrants													
Businesses	39	39	40	43	44	45	45	46	45	46	46	46	45
Individuals	769	775	770	760	758	763	767	768	795	785	790	788	792
Total Registrants	808	814	810	803	802	808	812	814	840	831	836	834	837
Total Licensees and Registrants													
	Jun 03	Jul 03	Aug 03	Sep 03	Oct 03	Nov 03	Dec 03	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04
All Licensees & Registrants	124,237	124,681	125,071	125,438	126,284	126,597	126,959	127,516	128,080	128,860	129,595	130,007	130,551

Licensing and Education Division

Examination Activity

June 2004

Monthly Results

	<u>Salesperson</u>	<u>Broker</u>	<u>R. E. Inspector</u>	<u>Prof. Inspector</u>
Examinations Passed	1,127	92	5	62
Examinations Failed	1,763	80	3	126
Examinations Taken	2,890	172	8	188
Applicants Examined	2,125	130	7	168
1st Time Passed	845	69	4	56
Examination Pass Rate	39.00%	53.49%	62.50%	32.98%
Applicant Pass Rate	53.04%	70.77%	71.43%	36.90%
1st Time Pass Rate	39.76%	53.08%	57.14%	33.33%

Year-to-Date Results

	<u>Salesperson</u>	<u>Broker</u>	<u>R. E. Inspector</u>	<u>Prof. Inspector</u>
Examinations Passed	10,816	784	45	489
Examinations Failed	16,803	700	35	1,007
Examinations Taken	27,619	1,484	80	1,496
Applicants Examined	14,104	868	56	875
1st Time Passed	6,437	473	31	276
Examination Pass Rate	39.16%	52.83%	56.25%	32.69%
Applicant Pass Rate	76.69%	90.32%	80.36%	55.89%
1st Time Pass Rate	45.64%	54.49%	55.36%	31.54%

Enforcement Division Report

Case Status

June 2004

June 2004	YTD
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Open at Beginning of the Month	722	-----
Opened During the Month	421	3,360
Closed During the Month	(392)	3,346
Open at End of Month	751	-----

	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:	426	340	331	260	325	286	259	356	356	421			
Administrative								127	137	183			
Public Complaints								99	107	82			
Application Investigations								47	39	63			
Moral Character Determinations								28	28	31			
Non-Jurisdictional Complaints								55	46	62			

Closed During Month:	244	374	370	363	404	248	305	374	272	392			
Administrative								76	41	136			
Public Complaints								162	142	104			
Application Investigations								64	20	76			
Moral Character Determinations								17	21	14			
Non-Jurisdictional Complaints								55	48	62			
Open at End of Month	919	885	846	743	664	702	656	638	722	751			

Enforcement Division

Administrative Actions

June 2004

Name and Location	Order	Basis for Order
Lewis, Michael Don (Fort Worth); license# 290825	Revocation of salesperson license, effective June 11, 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
Gibbs, Ford W. (Dallas); license# 466978	Agreed reprimand of broker license, entered June 1, 2004	acted negligently or incompetently when a salesperson he sponsored conducted his real estate brokerage business through a limited liability company not first licensed as a real estate broker and the same salesperson maintained a web site with content that offered to pay cash to an unlicensed person for referrals for real estate brokerage services and the advertisements did not readily identify the advertiser as a real estate licensee, in violation of §1101.652(b)(1) of the Texas Occupations Code and 22 TAC §§535.20 & 535.154 of the Rules of the Texas Real Estate Commission
Abiakam, Rose Okoye (Houston); license# 354520	Agreed reprimand of broker license, entered June 24, 2004; Agreed administrative penalty of \$250, entered June 24, 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
Roberson, Juanita (Fort Worth); license# 115829	Revocation of broker license, effective June 29, 2004	failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of §1101.652(a)(4) of the Texas Occupations Code and §534.2(a) of the Rules of the Texas Real Estate Commission
Evans, Bessie Lynn (Dallas); license# 131890	Revocation of broker license, effective June 3, 2004	failing within a reasonable time to make good checks issued to the Commission and to pay the processing fees, in violation of §1101.652(a)(4) of the Texas Occupations Code and §534.2(a) of the Rules of the Texas Real Estate Commission
English, Timothy James (Hockley); license# 472104	Agreed reprimand of salesperson license, entered June 9, 2004; Agreed administrative penalty of \$250, entered June 9, 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
Scott, Justin Mark (Belton); license# 457923	Agreed reprimand of salesperson license, entered June 1, 2004; Agreed administrative penalty of \$250, entered June 1, 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
Costilla, Ramon (The Colony); license# 502695	Agreed reprimand of salesperson license, entered June 3, 2004; Agreed administrative penalty of \$750, entered June 3, 2004	acted negligently or incompetently when he maintained a web site with content not approved by his broker and the content offered to pay cash to an unlicensed person for referrals for real estate brokerage services and the advertisements did not readily identify the advertiser as a real estate licensee, in violation of §1101.652(b)(1) of the Texas Occupations Code and 22 TAC §§535.20 & 535.154 of the Rules of the Texas Real Estate Commission

Enforcement Division

Administrative Actions

June 2004

Name and Location	Order	Basis for Order
Said, Michael R. (Austin); license# 448758	Agreed reprimand of salesperson license, entered June 14, 2004; Agreed administrative penalty of \$750, entered June 14, 2004	failure to deposit money and documents received in a real estate transaction within a reasonable time, in violation of 22 TAC §535.159 of the Rules of the Texas Real Estate Commission; negligence in his failure to deliver a buyer's option fee payment along with a written offer that included an option period and required an option fee, and negligence in his physical loss of the executed contract documents, buyer's earnest money check, and buyer's option fee check, 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]
Galleon Bay Club Condoshare (South Padre Island); license# 0220860	Revocation of timeshare registration, effective June 30, 2004	failing to refund a purchaser's deposit after timely cancellation of a contract for purchase of a timeshare interest, in violation of §221.042(b), of the Texas Timeshare Act (5 counts); failing to disclose information concerning goods or services which was known at the time of the transaction if such failure to disclose such information was intended to induce the consumer into a transaction which the consumer would not have entered had the information been disclosed, by failing to execute and tender a deed to the purchaser after the purchaser had paid the full purchase price of a timeshare interest, in violation of §17.46(b)(23) of the Texas Deceptive Trade Practices-Consumer Protection Act
Evans, Thomas Lynn (Dallas); license# 286170	Revocation of salesperson license, effective June 3, 2004	failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of §1101.652(a)(4) of the Texas Occupations Code and §534.2(a) of the Rules of the Texas Real Estate Commission

Information Services Division

Electronic Information Outlet Statistics

June 2004

	Current Month	YTD
World Wide Web		
Total Pages Viewed	1,581,701	13,455,530

TREC E-Mail Notification List		
Current Subscribers	77,877	

	Total	Online	Online Percent	YTD Online Percent
Online Transactions				
Broker Renewals	1,843	420	22.8%	24.0%
Broker Applications	153	53	34.6%	34.6%
Salesperson Renewals	2,703	737	27.3%	29.1%
Salesperson Applications	1,796	1129	62.9%	58.8%
Professional Inspector Renewals	205	12	5.9%	8.9%
Real Estate Inspector Renewals	17	3	17.6%	12.4%
Apprentice Inspector Renewals	8	0	0.0%	4.4%
Easement ROW Business Renewals	2	0	0.0%	0.0%
Easement ROW Individual Renewals	30	12	40.0%	9.7%

Staff Services Division

Agency Financial Statement

June 2004

THRU 10th MONTH OF FISCAL YEAR 2004

STRATEGIES	FY 2004 APPROPRIATION *	10/12 ANNUAL APPROPRIATION	TEN MONTHS EXPENDITURES A/P AND ENC.	DOLLAR VARIANCE OVER(-) OR UNDER	PERCENT VARIANCE OVER(-) OR UNDER
Licensing	\$ 1,168,620.74	\$ 973,850.62	\$ 952,987.13	\$ 20,863.49	2.14%
Enforcement	1,228,198.25	1,023,498.54	1,081,250.44	(57,751.90)	-5.64%
Communication/Information	540,428.30	450,356.92	468,777.61	(18,420.69)	-4.09%
Indirect Administration	1,185,064.71	987,553.93	1,013,322.52	(25,768.59)	-2.61%
TOTAL	\$ <u>4,122,312.00</u>	\$ <u>3,435,260.01</u>	\$ <u>3,516,337.70</u>	\$ <u>(81,077.69)</u>	-2.36% **

* Total appropriations have been increased by \$41,013 for benefit replacement pay. In the Licensing strategy, subscription fees in the amount of \$170,055 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.

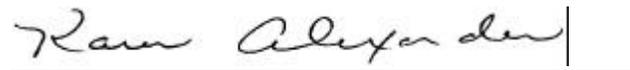
Staff Services Division
Real Estate Recovery Trust Account No. 971 Investments
Current Securities
June 2004

Purchase Date	Par Value	Purchase Price	Beginning Market Value	Additions Changes	Ending Market Value	Accrued Interest	Description	Maturity Date
09/28/2000	100,000.00	100,312.50	101,000.00	(437.50)	100,562.50	2,250.00	U.S. T-Notes, 6.00%	08/05/2004
02/20/2004	100,000.00	100,781.25	100,281.25	(156.25)	100,125.00	166.67	U.S. T-Notes, 2.00%	11/30/2004
09/28/2000	300,000.00	307,406.25	313,125.00	(1,687.50)	311,437.50	2,437.50	U.S. T-Notes, 6.50%	05/15/2005
09/28/2001	100,000.00	107,968.75	105,093.75	(531.25)	104,562.50	718.75	U.S. T-Notes, 5.75%	11/15/2005
02/15/2001	300,000.00	309,000.00	316,500.00	(1,500.00)	315,000.00	6,328.13	U.S. T-Notes, 5.625%	02/15/2006
03/07/2002	100,000.00	96,500.00	101,562.50	(250.00)	101,312.50	437.50	U.S. T-Notes, 3.50%	11/15/2006
03/07/2002	100,000.00	107,968.75	108,531.25	(437.50)	108,093.75	2,343.75	U.S. T-Notes, 6.25%	02/15/2007
08/23/2002	300,000.00	300,468.75	300,750.00	(375.00)	300,375.00	3,656.25	U.S. T-Notes, 3.25%	08/15/2007
02/28/2003	180,000.00	203,231.25	193,275.00	(450.00)	192,825.00	3,712.50	U.S. T-Notes, 5.50%	02/15/2008
02/20/2004	300,000.00	299,718.75	290,250.00	562.50	290,812.50	3,375.00	U.S. T-Notes, 3.00%	02/15/2009
08/27/2003	200,000.00	218,625.00	217,437.50	(1,937.50)	215,500.00	1,375.00	U.S. T-Notes, 5.50%	05/15/2009
Totals	\$ 2,080,000.00	\$ 2,151,981.25	\$ 2,147,806.25	\$ (7,200.00)	\$ 2,140,606.25	\$ 26,801.05		

	Current Month	Cumulative Totals
Receipts:		
Licenses' Remittances to Recovery Fund	\$ 18,470.00	\$ 4,787,290.08
Interest Realized	1,000.00	5,494,018.11
Repayments to Recovery Fund (Principal and Interest)	851.40	945,501.76
Administrative Penalties	4,000.00	257,000.00
Total Received	\$ 24,321.40	\$ 11,483,809.95
Disbursements:		
Investments Purchased (See Securities List)	\$ 0.00	\$ 2,151,981.25
Accrued Interest Purchased (See Securities List)	0.00	0.00
Payments from Recovery Fund	45,000.00	8,982,935.27
Rider Disbursements	65.10	9,622.52
Total Disbursed	45,065.10	11,144,539.04
Totals	\$ (20,743.70) (Current Month)	\$ 339,270.91
Reserved for Payments (Security)		0.00
Reserved for Payments Within Next 90 Days		(150,000.00)
Balance		\$ 189,270.91

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

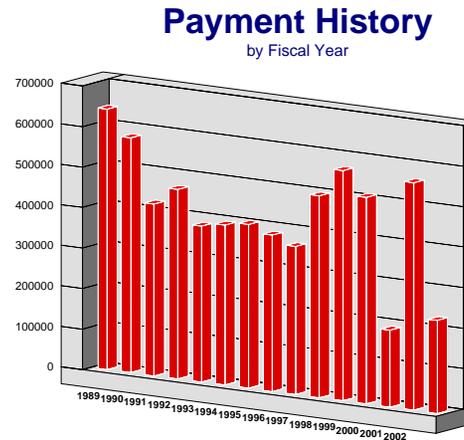
Real Estate Recovery Trust Account No. 971 Payments and Repayments

June 2004

Month-Year	Payment Total	Repayment Total	Admin. Penalties Total	Rider Disbursements	Payments FY 2004 To Date	Number of Payments
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
March 2004	48,616.97	574.75	2,750.00	9.00	48,616.97	2
April 2004	0.00	743.42	2,950.00	19.19	0.00	0
May 2004	0.00	800.00	4,350.00	10.00	0.00	0
June 2004	45,000.00	851.40	4,000.00	65.10	45,000.00	1
	152,674.38	21,878.10	43,400.00	194.39	144,136.47	5

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 *	
Next 3 Months	150,000.00



* 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

June 2004

	Monthly Activity			Payment History		
	Beginning Balance	Current Month	Cumulative Totals	Fiscal Year	Number of Payments	Total Payments
Beginning Balance	\$ 616,228.15		\$ 616,228.15	1991	2	\$ 4,309.26
Receipts:				1992	0	0.00
Licensees' Remittances to Recovery Fund		6,800.00		1993	2	15,000.00
Interest Realized		666.96		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		7,466.96	\$ 7,466.96	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
				2003	1	7,500.00
				2004	4	32,523.96
Fund Balance			\$ 623,695.11			\$ 228,975.45

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