



Staff Reports for September 2005

Texas Real Estate Commission

Monthly Staff Reports

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Licensing and Education Division

Fiscal Year Comparison

Fiscal Year 2006 - Year to Date

	This FY 9/05 - 9/05	Last FY 9/04 - 9/04	Change Count	Percent		
Applications Received						
Broker Original Applications Received	166	177	-11	-6.21%		
Sales Original Applications Received	1948	1630	318	19.51%		
Total Original Applications	2114	1807	307	16.99%		
Broker Late Renewal Applications Received	86	75	11	14.67%		
Sales Late Renewal Applications Received	466	407	59	14.50%		
Total Late Renewal Applications Received	552	482	70	14.52%		
Licenses Issued from Applications						
Broker Licenses from Original Applications	179	148	31	20.95%		
Sales Licenses from Original Applications	1431	1201	230	19.15%		
Total Licenses from Original Applications	1610	1349	261	19.35%		
Broker Licenses from Late Renewal Applications	86	82	4	4.88%		
Sales Licenses from Late Renewal Applications	485	392	93	23.72%		
Total Licenses from Late Renewal Applications	571	474	97	20.46%		
Renewal Activity for Expirations						
Broker Timely Renewals and Percentage	1423	89.95%	1501	89.03%	-78	0.92%
Sales Timely (1 year) Renewals and Percentage	1762	73.72%	1538	76.56%	224	-2.84%
Sales Timely (2 year) Renewals and Percentage	2253	81.16%	2357	83.79%	-104	-2.63%
Total Timely Renewals from Broker and Sales	5438	80.59%	5396	82.91%	42	-2.33%

Licensing and Education Division

Licensee and Registrant Status

September 2005

Real Estate Licensees													
	Sep 04	Oct 04	Nov 04	Dec 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	Jul 05	Aug 05	Sep 05
Broker Licensees													
Individual (Active)	32,866	32,888	32,882	32,871	32,936	33,044	33,075	33,113	33,136	33,162	33,166	33,232	33,247
Corporation (Active)	3,895	3,901	3,904	3,893	3,926	3,940	3,948	3,962	3,966	3,975	4,005	4,019	4,032
LLC (Active)	874	896	912	936	950	972	1,002	1,027	1,054	1,084	1,106	1,148	1,179
Non-resident (Active)	415	415	411	412	407	407	407	406	407	405	406	410	413
Partnership (Active)	2	2	2	2	2	2	2	2	2	2	2	2	2
Total Active Status	38,052	38,102	38,111	38,114	38,221	38,365	38,434	38,510	38,565	38,628	38,685	38,811	38,873
Inactive Status	1,677	1,660	1,650	1,656	1,660	1,642	1,662	1,662	1,641	1,636	1,638	1,626	1,630
Total Brokers	39,729	39,762	39,761	39,770	39,881	40,007	40,096	40,172	40,206	40,264	40,323	40,437	40,503
Sales Licensees													
Active Status	63,415	63,948	64,204	64,009	64,161	65,055	66,403	67,418	68,136	68,803	69,499	70,607	71,472
Inactive Status	25,450	25,564	25,563	26,313	26,901	26,963	26,718	26,616	26,547	26,678	26,604	26,519	26,267
Total Sales	88,865	89,512	89,767	90,322	91,062	92,018	93,121	94,034	94,683	95,481	96,103	97,126	97,739
Total Active	101,467	96,415	102,315	102,123	102,382	103,420	104,837	105,928	106,701	107,431	108,184	109,418	110,345
Total Inactive	27,127	26,401	27,213	27,969	28,561	28,605	28,380	28,278	28,188	28,314	28,242	28,145	27,897
Total Brokers & Sales	128,594	129,274	129,528	130,092	130,943	132,025	133,217	134,206	134,889	135,745	136,426	137,563	138,242
Inspectors													
	Sep 04	Oct 04	Nov 04	Dec 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	Jul 05	Aug 05	Sep 05
Inspector Licensees													
Professional Inspectors	2,762	2,847	2,974	3,129	3,271	3,359	3,441	3,492	3,554	3,613	3,658	3,701	3,705
Real Estate Inspectors	187	190	188	183	180	179	177	175	177	171	174	182	182
Apprentice Inspectors	173	168	169	161	161	166	162	159	160	163	163	154	163
Total Inspectors	3,122	3,205	3,331	3,473	3,612	3,704	3,780	3,826	3,891	3,947	3,995	4,037	4,050
Easement & Right-of-way Registrants													
	Sep 04	Oct 04	Nov 04	Dec 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	Jul 05	Aug 05	Sep 05
ERW Registrants													
Businesses	45	45	44	44	45	43	43	44	43	43	43	43	45
Individuals	805	816	820	827	840	845	851	868	884	912	925	942	960
Total Registrants	850	861	864	871	885	888	894	912	927	955	968	985	1,005
Total Licensees and Registrants													
	Sep 04	Oct 04	Nov 04	Dec 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	Jul 05	Aug 05	Sep 05
All Licensees & Registrants	132,566	133,340	133,723	134,436	135,440	136,617	137,891	138,944	139,707	140,647	141,389	142,585	143,297

Licensing and Education Division

Examination Activity

September 2005

Monthly Results

	Salesperson	Broker	R. E. Inspector	Prof. Inspector
Examinations Passed	1,446	119	2	24
Examinations Failed	1,422	89	5	29
Examinations Taken	2,868	208	7	53
Applicants Examined	2,259	154	6	47
1st Time Passed	1,150	92	2	19
Examination Pass Rate	50.42%	57.21%	28.57%	45.28%
Applicant Pass Rate	64.01%	77.27%	33.33%	51.06%
1st Time Pass Rate	50.91%	59.74%	33.33%	40.43%

Year-to-Date Results

	Salesperson	Broker	R. E. Inspector	Prof. Inspector
Examinations Passed	1,446	119	2	24
Examinations Failed	1,422	89	5	29
Examinations Taken	2,868	208	7	53
Applicants Examined	2,259	154	6	47
1st Time Passed	1,150	92	2	19
Examination Pass Rate	50.42%	57.21%	28.57%	45.28%
Applicant Pass Rate	64.01%	77.27%	33.33%	51.06%
1st Time Pass Rate	50.91%	59.74%	33.33%	40.43%

Licensing and Education Division

Instructor Distribution

September 2005

Approved Instructor Distribution

	Sep 04	Oct 04	Nov 04	Dec 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	Jul 05	Aug 05	Sep 05
MCE Electives Only					467	489	529	589	574	607	571	712	750
Core and MCE Electives					1,283	1,273	1,270	1,267	1,198	1,197	1,151	1,150	1,150
Core, MCE Electives and TREC MCE Legal					10	10	10	10	9	9	9	9	9
Core, MCE Electives and TREC MCE Ethics					6	6	6	6	6	6	6	6	6
Core, MCE Electives, TREC MCE Legal and Ethics					307	307	307	307	366	366	364	364	364
MCE Electives and TREC MCE Legal					1	1	1	1	1	1	1	1	1
MCE Electives and TREC MCE Ethics					4	4	4	4	4	4	4	4	4
MCE Electives, TREC MCE Legal and Ethics					60	60	59	59	100	100	100	100	98
Total Approved Instructors	0	0	0	0	2,138	2,150	2,186	2,243	2,258	2,290	2,206	2,346	2,382

Enforcement Division Report

Case Status

September 2005

	September 2005	YTD
Open at Beginning of the Month	916	-----
Opened During the Month	393	393
Closed During the Month	(312)	312
Open at End of Month	997	-----

	5-Sep	5-Oct	5-Nov	5-Dec	6-Jan	6-Feb	6-Mar	6-Apr	6-May	6-Jun	6-Jul	6-Aug	FY 06
Opened During Month:	393												393
Administrative	127												127
Public Complaints	120												120
Application Investigations	60												60
Moral Character Determinations	25												25
Non-Jurisdictional Complaints	61												61
Closed During Month:	312												312
Administrative	88												88
Public Complaints	101												101
Application Investigations	29												29
Moral Character Determinations	24												24
Non-Jurisdictional Complaints	70												70
Open at End of Month	997												997

Enforcement Division

Administrative Actions

September 2005

Name and Location	Order	Basis for Order
Munns, Kyle Williams(Houston); License# 2761	Agreed reprimand of professional inspector license, entered September 6, 2005	performed a real estate inspection in a negligent or incompetent manner, in violation of Section 1102.301 of the Texas Occupations Code; failed to report as in need of repair electrical outlets in the kitchen that were not GFCI protected, in violation of 22 TAC §§ 535.230(c)(2)(G); failed to report as in need of repair a copper gas supply line to the furnace, in violation of 22 TAC § 535.229(t)(6)
Morgan, Shelly R.(Richardson); License# 6196	Agreed reprimand of professional inspector license, entered September 15, 2005; agreed administrative penalty of \$250, entered September 15, 2005	performed a real estate inspection in a negligent or incompetent manner, in violation of §1102.301 of the Texas Occupations Code; failed to report the type of branch circuit wiring, in violation of 22 TAC §535.230(c)(1); reported an inspection on a form that deviated in several respects from the required TREC REI 7A-0 form, in violation of 22 TAC § 535.223(b)
Igwe, Joseph O.(Missouri City); License# 473305	Agreed 1 month suspension of salesperson license fully probated for 3 months, effective September 1, 2005	acted negligently and/or incompetently by failing to use the proper amendment form promulgated by TREC and for failing to have his client sign the contract before depositing it with the title company, in violation of §1101.652(b)(1) of the Texas Occupations Code
Klein, Inell Dyer(Houston); License# 263484	Revocation of salesperson license, effective September 8, 2005	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
Boyd, Joe Williams(Wyle); License# 278324	Agreed reprimand of broker license, entered September 14, 2005; Agreed administrative penalty of \$250, entered September 14, 2005	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
Alexander, Lazette Renee(Royce City); License# 466752	Agreed reprimand of salesperson license, entered September 6, 2005	acted negligently or incompetently in failing, after agreeing to reimburse a client for an expense incurred due to a delay in closing, to provide the funds in a timely manner, 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]
Delay, Denise Cox(Jasper); License# 465161	Revocation of salesperson license, effective September 8, 2005	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
Lambert, Louvinia T. (Livingston); License# 441242	Agreed reprimand of salesperson license, entered September 13, 2005; Agreed administrative penalty of \$250, entered September 13, 2005	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
Acosta, Deborah D.(San Antonio); License# 358047	Agreed reprimand of broker license, entered September 22, 2005; Agreed administrative penalty of \$250, entered September 22, 2005	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
Bowers, Michael Lee(Dallas); License# 534730	Revocation of salesperson license, effective September 22, 2005	failing within a reasonable time to make good a check issued to the Commission and pay the processing fee, in violation of §1101.652(a)(4) of the Texas Occupations Code
Williams, Pamela Denise (Waelder); License# 484138	Agreed reprimand of salesperson license, entered September 27, 2005; Agreed administrative penalty of \$250, entered September 27, 2005	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

Enforcement Division

Administrative Actions

September 2005

Name and Location	Order	Basis for Order
Myers, Erica Monique(Dallas); License# 494452	Agreed reprimand of salesperson license, entered September 14, 2005; Agreed administrative penalty of \$250, entered September 14, 2005	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
Bunata, Adeline Rose (Longview); License# 189891	Agreed 3 month suspension of broker license fully probated for 3 years, effective September 30, 2005; Agreed administrative penalty of \$500, entered September 30, 2005	acted negligently and incompetently and failed to use TREC forms properly when she assisted a buyer while acting as the seller's agent and used a sales contract that was improperly filled in, failed to advise the buyer to have an attorney review the closing documents that were prepared by the seller, represented to the buyer that repairs had been made when she did not know it was not accurate, and after the closing date, delivered to the buyer a seller's disclosure notice that was signed by the seller after the closing, in violation of §1101.652(b)(1) of the Texas Occupations Code and §537.11 of the Rules of the Texas Real Estate Commission

Information Services Division

Electronic Information Outlet Statistics

September 2005

World Wide Web	Current Month	YTD Total
Total Pages Viewed	1,949,998	1,949,998

TREC E-Mail Notification List	Current Total
Current Subscribers	105,470

Online Transactions	Total	Online	Online Percent	YTD Online Percent
Applications (Key Performance Measure: 10%)	2172	1474	67.9%	67.9%
Broker Application	109	69	63.3%	63.3%
Broker Late Renewal Application	86	40	46.5%	46.5%
Salesperson Application	1955	1354	69.3%	69.3%
Corporate Application	22	11	50.0%	50.0%
Renewals (Key Performance Measure 25%)	5949	1411	23.7%	23.7%
Broker Renewals	1451	419	28.9%	28.9%
Salesperson SAE Renewal	1768	121	6.8%	6.8%
Salesperson MCE Renewal	2255	794	35.2%	35.2%
Corporate Renewals	154	26	16.9%	16.9%
Limited Liability Company Renewals	46	11	23.9%	23.9%
Professional Inspector Renewals	231	32	13.9%	13.9%
Real Estate Inspector Renewals	8	3	37.5%	37.5%
Apprentice Inspector Renewals	5	3	60.0%	60.0%
Easement ROW Business Renewals	0	0		
Easement ROW Individual Renewals	31	2	6.5%	6.5%

Staff Services Division Agency Financial Statement

September 2005

THRU 1st MONTH OF FISCAL YEAR 2006

STRATEGIES	FY 2006 APPROPRIATION *	1/12 ANNUAL APPROPRIATION	1 MONTH EXPENDITURES A/P AND ENC.	DOLLAR VARIANCE OVER(-) OR UNDER**	PERCENT VARIANCE OVER(-) OR UNDER
Licensing	\$ 1,035,062.00	\$ 86,255.17	\$ 261,833.21	\$ (175,578.04)	-203.56%
Enforcement	1,332,445.00	111,037.08	221,928.57	(110,891.49)	-99.87%
Communication/Information	579,981.00	48,331.75	60,407.45	(12,075.70)	-24.99%
Indirect Administration	1,218,951.00	101,579.25	287,730.78	(186,151.53)	-183.26%
TOTAL	\$ <u>4,166,439.00</u>	\$ <u>347,203.25</u>	\$ <u>831,900.01</u>	\$ <u>(484,696.76)</u>	-139.60% **

* Total appropriations have been increased by \$39,986.00 for benefit replacement pay and \$116,374.00 for the 4% salary increase granted by the legislature. In the Licensing strategy, subscription fees in the amount of \$27,949.00 have been collected and remitted to the Texas Online vendor.

**Legislative provision requires the encumbrance of all contractual obligations through the end of the fiscal year. This includes such items as office rent, office equipment leases, and hardware and software maintenance.

Staff Services Division

Real Estate Recovery Trust Account No. 971 Investments Current Securities

September 2005

Purchase Date	Par Value	Purchase Price	Beginning Market Value	Additions Changes	Ending Market Value	Accrued Interest	Description	Maturity Date
09/28/2001	100,000.00	107,968.75	100,406.25	(156.25)	100,250.00	2,156.25	U.S. T-Notes, 5.75%	11/15/2005
02/15/2001	300,000.00	309,000.00	302,531.25	(656.25)	301,875.00	2,109.38	U.S. T-Notes, 5.625%	02/15/2006
03/07/2002	100,000.00	96,500.00	99,656.25	(343.75)	99,312.50	1,312.50	U.S. T-Notes, 3.50%	11/15/2006
03/07/2002	100,000.00	107,968.75	103,468.75	(656.25)	102,812.50	781.25	U.S. T-Notes, 6.25%	02/15/2007
08/23/2002	300,000.00	300,468.75	296,718.75	(1,593.75)	295,125.00	1,218.75	U.S. T-Notes, 3.25%	08/15/2007
02/28/2003	180,000.00	203,231.25	187,200.00	(1,743.75)	185,456.25	1,237.50	U.S. T-Notes, 5.50%	02/15/2008
08/27/2004	100,000.00	100,468.75	98,406.25	(937.50)	97,468.75	406.25	U.S. T-Notes, 3.25%	08/15/2008
02/20/2004	300,000.00	299,718.75	291,843.75	(3,093.75)	288,750.00	1,125.00	U.S. T-Notes, 3.00%	02/15/2009
08/27/2003	200,000.00	218,625.00	211,562.50	(2,625.00)	208,937.50	4,125.00	U.S. T-Notes, 5.50%	05/15/2009
12/21/2004	200,000.00	221,250.00	216,937.50	(3,625.00)	213,312.50	1,437.50	U.S. T-Notes, 5.75%	08/15/2010
05/24/2005	300,000.00	318,421.88	317,531.25	(5,812.50)	311,718.75	1,875.00	U.S. T-Notes, 5.00%	08/15/2011
Totals	<u>\$ 2,180,000.00</u>	<u>\$ 2,283,621.88</u>	<u>\$ 2,226,262.50</u>	<u>\$ (21,243.75)</u>	<u>\$ 2,205,018.75</u>	<u>\$ 17,784.38</u>		

	Current Month	Cumulative Totals
Receipts:		
Licenses' Remittances to Recovery Fund	\$ 21,380.00	\$ 5,092,070.08
Interest Realized	0.00	5,621,013.86
Repayments to Recovery Fund (Principal and Interest)	173.43	975,655.44
Administrative Penalties	2,050.00	329,900.00
Total Received	\$ 23,603.43	\$ 12,018,639.38
Disbursements:		
Investments Purchased (See Securities List)	\$ 0.00	\$ 2,283,621.88
Accrued Interest Purchased (See Securities List)	0.00	0.00
Payments from Recovery Fund	9,045.49	9,311,651.65
Rider Disbursements	0.00	9,842.14
Total Disbursed	\$ 9,045.49	\$ 11,605,115.67
Totals	\$ 14,557.94 <small>(Current Month)</small>	\$ 413,523.71
Reserved for Investment		
Reserved for Payments Within Next 90 Days		(321,462.00)
Balance		\$ 92,061.71

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

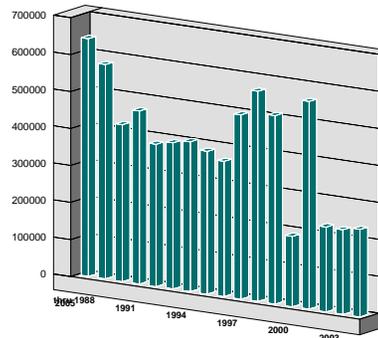
September 2005

Month-Year	Payment Total	Repayment Total	Admin. Penalties Total	Rider Disbursements	Payments FY 2006 To Date	Number of Payments
September 2004	9,200.83	1,063.26	3,600.00	0.00	0.00	0
October 2004	0.00	672.69	1,850.00	0.00	0.00	0
November 2004	0.00	500.00	6,100.00	0.00	0.00	0
December 2004	4,290.88	19,081.36	11,600.00	0.00	0.00	0
January 2005	50,000.00	34.53	2,800.00	0.00	0.00	0
February 2005	50,000.00	658.34	5,600.00	98.92	0.00	0
March 2005	0.00	5,072.79	6,900.00	0.00	0.00	0
April 2005	0.00	115.28	4,600.00	0.00	0.00	0
May 2005	36,141.97	34.51	2,200.00	0.00	0.00	0
June 2005	31,378.93	154.24	4,600.00	14.00	0.00	0
July 2005	55,000.00	54.99	5,100.00	14.00	0.00	0
August 2005	0.00	168.01	6,950.00	27.90	0.00	0
September 2005	9,045.49	173.43	2,050.00	0.00	9,045.49	2
	245,058.10	27,783.43	63,950.00	154.82	9,045.49	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
2004	8	\$227,794.75
2005	8	\$236,012.61
Total	646	\$9,302,606.16

Projected Payments *	
Next 3 Months	321,462.00

Payment History
by Fiscal Year



* 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

September 2005

Monthly Activity

	Beginning Balance	Current Month	Cumulative Totals
Beginning Balance	\$ 662,018.01		\$ 662,018.01
Receipts:			
Licensees' Remittances to Recovery Fund		7,150.00	
Interest Realized		1,878.72	
Repayments		0.00	
Administrative Penalties		0.00	
Total Received in Current Month			\$ 9,028.72
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>671,046.73</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	4	32,523.96
2005	5	28,567.39
		\$ 257,542.84

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