



Staff Reports for November 2007

Texas Real Estate Commission

Monthly Staff Reports

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Licensing Services Division

Fiscal Year Comparison

Fiscal Year 2008 - Year to Date

	This FY		Last FY		Change	
	9/07 – 8/08		9/06 – 8/07		Count	Percent
<i>Applications Received</i>						
Broker Original Applications Received	804		706		98	13.88%
Sales Original Applications Received	4235		5054		-819	-16.20%
<i>Total Original Applications</i>	5039		5760		-721	-12.52%
Broker Late Renewal Applications Received	416		263		153	58.17%
Sales Late Renewal Applications Received	3021		1779		1242	69.81%
Total Late Renewal Applications Received	3437		2042		1395	68.32%
<i>Licenses Issued from Applications</i>						
Broker Licenses from Original Applications	645		603		42	6.97%
Sales Licenses from Original Applications	3328		3889		-561	-14.43%
Total Licenses from Original Applications	3973		4492		-519	-11.55%
Broker Licenses from Late Renewal Applications	429		283		146	51.59%
Sales Licenses from Late Renewal Applications	2306		1815		491	27.05%
Total Licenses from Late Renewal Applications	2735		2098		637	30.36%
<i>Renewal Activity for Expirations</i>						
Broker Timely Renewals and Percentage	4311	86.36%	4302	87.16%	9	-0.80%
Sales Timely (1 year) Renewals and Percentage	5818	66.14%	6218	70.68%	-400	-4.54%
Sales Timely (2 year) Renewals and Percentage	7651	77.55%	6895	77.07%	756	0.48%
Total Timely Renewals from Broker and Sales	17780	75.17%	17415	76.79%	365	-1.62%

Licensing Services Division

Licensee and Registrant Status

November 2007

Real Estate Licensees

	Nov 06	Dec 06	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07
Broker Licensees													
Individual (Active)	33,698	33,724	33,824	33,910	33,955	33,940	33,961	34,002	34,060	34,140	34,124	34,163	34,279
Corporation (Active)	4,111	4,104	4,110	4,130	4,142	4,141	4,144	4,160	4,165	4,167	4,167	4,169	4,166
LLC (Active)	1,628	1,651	1,693	1,733	1,791	1,834	1,872	1,919	1,957	2,000	2,022	2,043	2,108
Non-resident (Active)	443	450	458	458	467	471	474	477	478	480	482	482	488
Partnership (Active)	2	2	2	2	2	2	2	2	2	2	2	2	2
Total Active Status	39,882	39,931	40,087	40,233	40,357	40,388	40,453	40,560	40,662	40,789	40,797	40,859	41,043
Inactive Status	1,611	1,608	1,629	1,632	1,611	1,589	1,581	1,564	1,568	1,562	1,566	1,576	1,550
Total Brokers	41,493	41,539	41,716	41,865	41,968	41,977	42,034	42,124	42,230	42,351	42,363	42,435	42,593
Sales Licensees													
Active Status	80,345	79,987	79,825	80,485	81,288	82,120	82,415	82,520	82,928	83,396	83,415	83,367	82,272
Inactive Status	27,121	27,710	28,236	27,979	27,775	27,364	27,462	27,594	27,423	27,414	27,044	27,521	27,945
Total Sales	107,466	107,697	108,061	108,464	109,063	109,484	109,877	110,114	110,351	110,810	110,459	110,888	110,217
Total Active	120,227	119,918	119,912	120,718	121,645	122,508	122,868	123,080	123,590	124,185	124,212	124,226	123,315
Total Inactive	28,732	29,318	29,865	29,611	29,386	28,953	29,043	29,158	28,991	28,976	28,610	29,097	29,495
Total Brokers & Sales	148,959	149,236	149,777	150,329	151,031	151,461	151,911	152,238	152,581	153,161	152,822	153,323	152,810

Inspectors

	Nov 06	Dec 06	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07
Inspector Licensees													
Professional Inspectors	3,814	3,809	3,821	3,813	3,824	3,812	3,853	3,894	3,914	3,942	3,961	3,965	3,969
Real Estate Inspectors	158	157	157	161	163	158	165	169	170	171	172	172	173
Apprentice Inspectors	142	139	139	133	140	134	141	146	149	147	152	152	151
Total Inspectors	4,114	4,105	4,117	4,107	4,127	4,104	4,159	4,209	4,233	4,260	4,285	4,289	4,293

Easement & Right-of-way Registrants

	Nov 06	Dec 06	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07
ERW Registrants													
Businesses	31	32	31	32	34	35	31	32	34	36	36	37	35
Individuals	1,293	1,308	1,353	1,361	1,407	1,128	1,375	1,411	1,457	1,509	1,551	1,586	1,576
Total Registrants	1,324	1,340	1,384	1,393	1,441	1,163	1,406	1,443	1,491	1,545	1,587	1,623	1,611

Total Licensees and Registrants

	Nov 06	Dec 06	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07
All Licensees & Registrants	154,397	154,681	155,278	155,829	156,599	156,728	157,476	157,890	158,305	158,966	158,694	159,235	158,714

Licensing Services Division

Examination Activity

November 2007

Monthly Results

	<u>Salesperson</u>	<u>Broker</u>	<u>R. E. Inspector</u>	<u>Prof. Inspector</u>
Examinations Passed	925	156	2	22
Examinations Failed	970	98	1	44
<i>Examinations Taken</i>	1,895	254	3	66
Applicants Examined	1,479	195	3	61
1st Time Passed	736	122	2	20
Examination Pass Rate	48.8%	61.4%	66.7%	33.3%
Applicant Pass Rate	62.5%	80.0%	66.7%	36.1%
1st Time Pass Rate	49.8%	62.6%	66.7%	32.8%

Year-to-Date Results

	<u>Salesperson</u>	<u>Broker</u>	<u>R. E. Inspector</u>	<u>Prof. Inspector</u>
Examinations Passed	3,338	437	8	85
Examinations Failed	3,622	269	4	182
<i>Examinations Taken</i>	6,960	706	12	267
Applicants Examined	4,560	505	10	197
1st Time Passed	2,324	325	7	61
Examination Pass Rate	48.0%	61.9%	66.7%	31.8%
Applicant Pass Rate	73.2%	86.5%	80.0%	43.1%
1st Time Pass Rate	51.0%	64.4%	70.0%	31.0%

Licensing Services Division

Instructor Distribution

November 2007

Approved Instructor Distribution

	Nov 06	Dec 06	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07
MCE Electives Only	1,276	1,307	1,338	1,384	1,415	1,453	1,505	1,561	1,622	1,670	1,700	1,773	1,826
Core and MCE Electives	1,021	1,026	1,021	1,020	1,002	997	978	992	1,012	1,006	1,015	1,008	1,024
Core, MCE Electives and TREC MCE Legal	8	8	8	8	8	8	9	9	9	9	9	9	9
Core, MCE Electives and TREC MCE Ethics	7	7	7	7	7	7	6	6	6	6	6	6	6
Core, MCE Electives, TREC MCE Legal and Ethics	409	409	408	408	407	409	420	420	418	417	415	413	414
MCE Electives and TREC MCE Legal	2	2	2	2	2	2	3	3	3	3	3	3	3
MCE Electives and TREC MCE Ethics	3	3	3	3	3	3	4	4	4	4	4	4	4
MCE Electives, TREC MCE Legal and Ethics	171	170	169	168	168	166	183	182	181	180	178	178	176
Total Approved Instructors	2,897	2,932	2,956	3,000	3,012	3,045	3,108	3,177	3,255	3,295	3,330	3,394	3,462

Enforcement Division Report

Case Status

November 2007

	November 2007	YTD
Open at Beginning of the Month	1,978	-----
Opened During the Month	364	1,223
Closed During the Month	(453)	1,068
Open at End of Month	1,889	-----

	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	FY 08
Opened During Month:	358	501	364	0	0	0	0	0	0	0	0	0	1,223
Administrative	120	195	118										433
Public Complaints	123	168	96										387
Application Investigations	41	66	100										207
Moral Character Determinations	26	18	13										57
Non-Jurisdictional Complaints	48	54	37										139
Closed During Month:	315	300	453	0	0	0	0	0	0	0	0	0	1,068
Administrative	124	102	227										453
Public Complaints	88	102	117										307
Application Investigations	38	28	58										124
Moral Character Determinations	17	13	14										44
Non-Jurisdictional Complaints	48	55	37										140
Open at End of Month	1,777	1,978	1,889										

Enforcement Division

Administrative Actions

November 2007

Name and Location	Order	Basis for Order
Kelty, Timothy Micheal(Sulphur Springs); License# 331040	Agreed 1 month suspension of salesperson license fully probated for 2 years, effective November 29, 2007	acted negligently or incompetently in drafting multiple offers that included errors, such as indicating that farm and ranch accessories would be conveyed with the property, despite the seller not actually owning them, and failing to advise his seller client that certain terms of the contract were not as she desired, in violation of § 1101.652(b)(1) of the Texas Occupations Code; acted dishonestly or in bad faith in leading his seller client to believe that, despite the language of the contract, the contract did not require her to convey the farm and ranch accessories if she did not own them, in violation of § 1101.652(b)(1) of the Texas Occupations Code; worked in the name of the corporation while sponsored by the designated officer for a corporation (but not by the corporation itself), in violation of § 1101.351(c) of the Texas Occupations Code
Myrick, Kelly Diane(Big Spring); License# 513185	Agreed 3 month suspension of salesperson license fully probated for 2 years, effective November 30, 2007	failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC 535.92(f)
Ryan, Jewel Cole(Beaumont); License# 471952	Agreed reprimand of salesperson license, entered November 2, 2007; Agreed administrative penalty of \$500.00, entered November 2, 2007	failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC 535.92(f)
Cruz, Melissa S.(Laredo); License# 484076	Agreed reprimand of salesperson license, entered November 6, 2007; Agreed administrative penalty of \$500, entered November 6, 2007	Plead guilty to the offense of engaging in organized criminal activity, a felony in which fraud is an essential element, in violation of §1101.652(a)(1) of The Texas Occupations Code
Cavazos, John B(San Antonio); License# 479882	Fully probated 36 month suspension of salesperson license, effective November 8, 2007	after filing a late renewal application, Mr. Garcia failed to timely respond to the Commission's request for required more information required pursuant to §535.91(c) of the rules and Mr. Garcia made a material misstatement of fact in his application by failing to answer "yes" the question "Are there any criminal charges pending against you?" in violation of §1101.652(a)(2) of the Texas Occupations Code and 22 TAC §535.91(c)

Enforcement Division

Administrative Actions

November 2007

Name and Location	Order	Basis for Order
Montoto, Monika V.(De Soto); License# 469589	Agreed reprimand of salesperson license, entered, November 16, 2007; Agreed administrative penalty of \$250, entered November 16, 2007	failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC 535.92(f)
Miller, Frederick Alexander (Anne); License# 343094	Agreed reprimand of broker license, entered November 21, 2007; Agreed administrative penalty of \$500, entered November 21, 2007	failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC 535.92(f)
Gonzalez, Roberto V. (Carrollton); License# 547072	Agreed reprimand of salesperson license, entered November 27, 2007; Agreed administrative penalty of \$500, entered November 27, 2007	after expiration of his salesperson license, Mr. Gonzalez continued to engage in the business of a real estate broker or salesperson, in violation of §1101.351(a) of Texas Occupations Code; Mr. Gonzalez failed to answer "yes" to the question regarding unlicensed activity on his subsequent late renewal application whereby he procured a license by making a material misstatement of fact in his application, in violation of §1101.652(a)(2) of the Texas Occupations Code; and Mr. Gonzalez acted negligently when he continued to conduct real estate brokerage activities with a person as his partner whose salesperson license was inactive, in violation of §1101.652(b)(1) of the Texas Occupations Code
Cummings, David Malcolm(San Antonio); License# 372857	Agreed reprimand of salesperson license, entered November 8, 2007; Agreed administrative penalty of \$500, entered November 8, 2007	failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC 535.92(f)
Casaretto, Patsy M.(Willis); License# 202052	Agreed reprimand of broker license, entered November 14, 2007; Agreed administrative penalty of \$500, entered November 14, 2007	failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC 535.92(f)

Information Services Division

Electronic Information Outlet Statistics

November 2007

World Wide Web	Current Month	YTD Total
Total Pages Viewed	2,187,120	6,939,038

TREC E-Mail Notification List	Current Total
Current Subscribers	161,430

Online Transactions	Total	Online	Online Percent	YTD Online Percent
Applications (Performance Measure: 70%)	1474	1168	79.2%	79.6%
Broker Application	216	156	72.2%	75.9%
Broker Late Renewal Application	128	58	45.3%	50.2%
Salesperson Application	1101	946	85.9%	84.2%
Corporate Application	29	8	27.6%	17.3%
Renewals (Performance Measure 80%)	5710	4987	87.3%	87.7%
Broker Renewals	1179	1068	90.6%	90.6%
Salesperson SAE Renewal	1867	1512	81.0%	79.9%
Salesperson MCE Renewal	2356	2198	93.3%	93.5%
Corporate Renewals	148	138	93.2%	93.8%
Limited Liability Company Renewals	59	54	91.5%	92.2%
Professional Inspector Renewals	18	7	38.9%	61.9%
Real Estate Inspector Renewals	3	0	0.0%	25.0%
Apprentice Inspector Renewals	1	1	100.0%	50.0%
Easement ROW Business Renewals	5	1	20.0%	22.2%
Easement ROW Individual Renewals	74	8	10.8%	26.7%

Staff Services Division
Agency Financial Statement

November 2007

THRU 3RD MONTH OF FISCAL YEAR 2008

STRATEGIES	FY 08 APPROPRIATION*	3/12 ANNUAL APPROPRIATION	THREE MONTH EXPENDITURES AND A/P**	\$ VARIANCE OVER(-) OR UNDER	% VARIANCE OVER(-) OR UNDER	ENCUMBRANCES***
Licensing	\$ 1,365,415.00	\$ 341,353.75	\$ 365,102.02	\$ (23,748.27)	-6.96%	\$ 124,367.75
Enforcement	1,840,593.00	460,148.25	391,917.59	68,230.66	14.83%	104,837.25
Communication/Information	739,524.00	184,881.00	176,034.29	8,846.71	4.79%	37,545.44
Indirect Administration	1,406,372.00	351,593.00	320,889.18	30,703.82	8.73%	327,082.79
TOTAL	<u>\$ 5,351,904.00</u>	<u>\$ 1,337,976.00</u>	<u>\$ 1,253,943.08</u>	<u>\$ 84,032.92</u>	6.28%	<u>\$ 593,833.23</u>

* Total appropriations have been increased by \$31,500 for benefit replacement pay and \$73,501 for the legislative salary increase granted by the Legislature. In the Licensing strategy, subscription fees in the amount of \$79,057.00 have been collected and remitted to the Texas Online vendor.

** Some expenditures are paid at the beginning of the fiscal year, such as computer and software maintenance, worker's compensation premium, etc.

*** Legislative provision requires the encumbrance of all contractual obligations through the end of the fiscal year. This includes items such as office rent, office equipment leases, or other contractual obligations. Encumbrances are not included in the "Three Months Expenditures and A/P" column.

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

November 2007

Purchase Date	Par Value	Purchase Price	Beginning Market Value	Additions Changes	Ending Market Value	Accrued Interest	Description	Maturity Date
02/28/2003	180,000.00	203,231.25	180,731.25	56.25	180,787.50	2,887.50	U.S. T-Notes, 5.50%	02/15/2008
11/28/2006	100,000.00	98,270.00	99,750.00	406.25	100,156.25	156.25	U.S. T-Notes, 3.75%	05/15/2008
08/27/2004	100,000.00	100,468.75	99,250.00	625.00	99,875.00	947.92	U.S. T-Notes, 3.25%	08/15/2008
02/20/2004	300,000.00	299,718.75	296,156.25	3,656.25	299,812.50	2,625.00	U.S. T-Notes, 3.00%	02/15/2009
08/27/2003	200,000.00	218,625.00	204,562.50	2,250.00	206,812.50	458.33	U.S. T-Notes, 5.50%	05/15/2009
02/24/2006	200,000.00	192,000.00	198,062.50	3,625.00	201,687.50	2,041.67	U.S. T-Notes, 3.50%	02/15/2010
12/21/2004	200,000.00	221,250.00	209,375.00	4,250.00	213,625.00	3,354.17	U.S. T-Notes, 5.75%	08/15/2010
11/29/2005	100,000.00	99,750.00	100,781.25	2,437.50	103,218.75	531.25	U.S. T-Notes, 4.25%	10/15/2010
02/24/2006	100,000.00	102,000.00	103,218.75	2,625.00	105,843.75	1,458.33	U.S. T-Notes, 5.00%	02/15/2011
05/24/2005	300,000.00	318,421.88	310,312.50	8,343.75	318,656.25	4,375.00	U.S. T-Notes, 5.00%	08/15/2011
02/28/2007	100,000.00	99,750.00	101,500.00	2,906.25	104,406.25	0.00	U.S. T-Notes, 4.50%	11/30/2011
08/29/2007	200,000.00	205,370.92	206,187.50	5,812.50	212,000.00	2,843.75	U.S. T-Notes, 4.875%	02/15/2012
Totals	\$ 2,080,000.00	\$ 2,158,856.55	\$ 2,109,887.50	\$ 36,993.75	\$ 2,146,881.25	\$ 21,679.17		

	<u>Current Month</u>	<u>Cumulative Totals</u>
Receipts:		
License's Remittances to Recovery Fund	\$ 18,800.00	\$ 5,675,420.08
Interest Realized	9,625.00	5,802,492.80
Repayments to Recovery Fund (Principal and Interest)	1,566.37	1,044,407.86
Administrative Penalties	6,400.00	476,350.00
Total Received	\$ 36,391.37	\$ 12,998,670.74
Disbursements:		
Investments Purchased (Offset by Matured Security)	\$ 0.00	2,158,954.38
Accrued Interest Purchased	0.00	370.92
Payments from Recovery Fund	0.00	10,387,737.91
Rider Disbursements	0.00	10,971.00
Total Disbursed	\$ 0.00	\$ 12,558,034.21
Totals	\$ 36,391.37	\$ 440,636.53
	(Current Month)	
Reserved for Investment		0.00
Reserved for Payments Within 90 Days		(174,000.00)
Balance		\$ 266,636.53

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


Karen Alexander, Investment Officer


Barbara Kolb, Alternate Investment Officer

Staff Services Division

Real Estate Recovery Trust Account No. 971 Investments Payments and Repayments

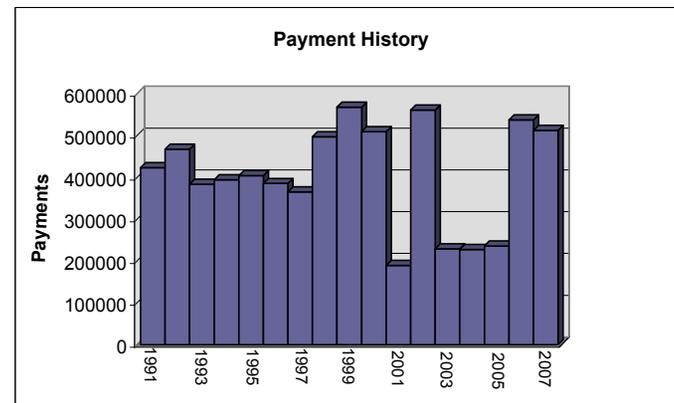
November 2007

Month-Year	Payment Total	Repayment Total	Admin Penalties Total	Rider Disbursements	Payments FY2007-To-Date	Number of Payments
November 2006	50,621.62	1,147.34	2,200.00	0.00		
December 2006	12,992.48	20,589.08	2,950.00	40.94		
January 2007	96,733.55	1,129.34	3,400.00	168.42		
February 2007	50,000.00	14,393.00	6,550.00	91.20		
March 2007	50,000.00	(12,111.00)	7,800.00	24.92		
April 2007	0.00	1,129.34	6,200.00	34.00		
May 2007	50,000.00	1,405.00	5,950.00	66.13		
June 2007	25,373.48	1,130.00	10,850.00	20.00		
July 2007	50,000.00	1,145.00	4,850.00	123.24		
August 2007	68,844.04	1,447.00	10,000.00	0.00		
September 2007	35,000.00	380.00	1,700.00	0.00	35,000.00	1
October 2007	0.00	3,640.00	7,600.00	74.01	0.00	0
November 2007	0.00	1,566.37	6,400.00	0.00	0.00	0
	489,565.17	36,990.47	76,450.00	642.86	35,000.00	1

Payment History		
Fiscal Year	# of Payments	Total Payments
thru 1990	310	3,458,962.00
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
2006	22	537,356.93
2007	14	512,774.82
Total	682	\$10,352,737.91

Projected Payments*

Next 3 Months \$174,000.00



*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. 0988

November 2007

	Monthly Activity			Payment History		
	Beginning Balance	Current Month	Cumulative Totals	Fiscal Year	Number of Payments	Total Payments
Beginning Balance	\$ 681,386.88	\$	\$ 681,386.88	1991	2	\$ 4,309.26
Receipts:				1992	0	0.00
Licensees' Remittances to Recovery Fund		2,300.00		1993	2	15,000.00
Interest Realized		2,943.37		1994	5	31,473.40
Repayments		0.00		1995	4	25,668.83
Administrative Penalties		(250.00)		1996	2	7,500.00
Total Received in Current Month		<u>4,993.37</u>	\$ 4,993.37	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		<u>0.00</u>	\$ 0.00	2002	2	15,000.00
Fund Balance			\$ <u>686,380.25</u>	2003	1	7,500.00
				2004	4	32,523.96
				2005	5	28,567.39
				2006	5	49,837.11
				2007	1	12,500.00
				2008	0	0.00
						\$ 319,879.95

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

Karen Alexander

Karen Alexander, Investment Officer

Barbara C Kolb

Barbara Kolb, Alternate Investment Officer