



Staff Reports for October 2009

Texas Real Estate Commission

Monthly Staff Reports

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Licensing Services Division

Fiscal Year Comparison

Fiscal Year 2010 - Year to Date

	This YTD 9/09 – 08/10		Last YTD 9/08 – 08/09		Change	
					Count	Percent
<i>Applications Received</i>						
Broker Original Applications Received	436		431		5	1.16%
Sales Original Applications Received	1041		1910		-869	-45.50%
<i>Total Original Applications</i>	1477		2341		-864	-36.91%
Broker Late Renewal Applications Received	242		302		-60	-19.87%
Sales Late Renewal Applications Received	2496		2750		-254	-9.24%
Total Late Renewal Applications Received	2738		3052		-314	-10.29%
<i>Licenses Issued from Applications</i>						
Broker Licenses from Original Applications	422		409		13	3.18%
Sales Licenses from Original Applications	1491		1551		-60	-3.87%
Total Licenses from Original Applications	1913		1960		-47	-2.40%
Broker Licenses from Late Renewal Applications	239		313		-74	-23.64%
Sales Licenses from Late Renewal Applications	1227		1537		-310	-20.17%
Total Licenses from Late Renewal Applications	1466		1850		-384	-20.76%
<i>Renewal Activity for Expirations</i>						
Broker Timely Renewals and Percentage	2,799	86.18%	2,715	79.85%	84	6.33%
Sales Timely (1 year) Renewals and Percentage	903	59.76%	2,148	55.81%	-1,245	3.95%
Sales Timely (2 year) Renewals and Percentage	6,560	67.75%	5,992	71.06%	568	-3.31%
Total Timely Renewals from Broker and Sales	10,262	71.06%	10,855	69.22%	-593	1.84%

Licensing Services Division

Licensee and Registrant Status

October 2009

Real Estate Licensees

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
Broker Licensees													
Individual (Active)	34,197	34,168	34,218	34,336	34,328	34,375	34,287	34,236	34,184	34,111	34,150	34,139	34,138
Corporation (Active)	4,073	4,067	4,070	4,075	4,085	4,069	4,063	4,061	4,073	4,031	4,024	4,018	4,025
LLC (Active)	2,411	2,438	2,457	2,501	2,533	2,549	2,594	2,625	2,639	2,684	2,708	2,729	2,762
Non-resident (Active)	501	497	500	500	502	503	498	495	494	492	493	495	492
Partnership (Active)	2	2	2	2	2	2	2	2	2	2	2	2	2
Total Active Status	41,184	41,172	41,247	41,414	41,450	41,498	41,444	41,419	41,392	41,320	41,377	41,383	41,419
Inactive Status	1,657	1,646	1,656	1,650	1,653	1,646	1,646	1,638	1,648	1,645	1,659	1,652	1,658
Total Brokers	42,841	42,818	42,903	43,064	43,103	43,144	43,090	43,057	43,040	42,965	43,036	43,035	43,077
Sales Licensees													
Active Status	78,495	78,016	77,123	75,833	75,711	75,797	75,637	75,329	74,323	74,244	74,462	74,656	75,000
Inactive Status	26,450	26,603	27,318	28,651	28,241	27,763	27,291	27,032	27,331	26,974	26,721	26,349	26,070
Total Sales	104,945	104,619	104,441	104,484	103,952	103,560	102,928	102,361	101,654	101,218	101,183	101,005	101,070
Total Active	119,679	119,188	118,370	117,247	117,161	117,295	117,081	116,748	115,715	115,564	115,839	116,039	116,419
Total Inactive	28,107	28,249	28,974	30,301	29,894	29,409	28,937	28,670	28,979	28,619	28,380	28,001	27,728
Total Brokers & Sales	147,786	147,437	147,344	147,548	147,055	146,704	146,018	145,418	144,694	144,183	144,219	144,040	144,147

Inspectors

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
Inspector Licensees													
Professional Inspectors	3,649	3,582	3,605	3,563	3,533	3,462	3,374	3,361	3,323	3,314	3,311	3,311	3,312
Real Estate Inspectors	151	148	142	139	140	140	137	137	134	136	136	135	138
Apprentice Inspectors	103	98	98	96	90	85	87	88	88	86	86	86	84
Total Inspectors	3,903	3,828	3,845	3,798	3,763	3,687	3,598	3,586	3,545	3,536	3,533	3,532	3,534

Easement & Right-of-way Registrants

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
ERW Registrants													
Businesses	35	35	35	36	40	39	36	37	39	39	39	38	38
Individuals	1,780	1,833	1,856	1,901	1,947	1,969	1,994	1,970	1,960	1,908	1,893	1,835	1,757
Total Registrants	1,815	1,868	1,891	1,937	1,987	2,008	2,030	2,007	1,999	1,947	1,932	1,873	1,795

Total Licensees and Registrants

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
All Licensees & Registrants	153,504	153,133	153,080	153,283	152,805	152,399	151,646	151,011	150,238	149,666	149,684	149,445	149,476

Licensing Services Division

Examination Activity

October 2009

Monthly Results

	Salesperson	Broker	R. E. Inspector	Prof. Inspector
Examinations Passed	768	141	0	17
Examinations Failed	657	56	1	27
Examinations Taken	1,425	197	1	44
Applicants Examined	1,132	169	1	38
1st Time Passed	637	125	0	12
Examination Pass Rate	53.9%	71.6%	0.0%	38.6%
Applicant Pass Rate	67.8%	83.4%	0.0%	44.7%
1st Time Pass Rate	56.3%	74.0%	0.0%	31.6%

Year-to-Date Results

	Salesperson	Broker	R. E. Inspector	Prof. Inspector
Examinations Passed	1,600	284	0	36
Examinations Failed	1,337	123	1	61
Examinations Taken	2,937	407	1	97
Applicants Examined	2,115	328	1	77
1st Time Passed	1,230	234	0	26
Examination Pass Rate	54.5%	69.8%	0.0%	37.1%
Applicant Pass Rate	75.7%	86.6%	0.0%	46.8%
1st Time Pass Rate	58.2%	71.3%	0.0%	33.8%

Licensing Services Division

Instructor Distribution

October 2009

Approved Instructor Distribution

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	June 09	July 09	Aug 09	Sep 09	Oct 09
MCE Electives Only	2,190	2,228	2,226	2,242	2,272	2,305	2,343	2,365	2,384	2,408	2,447	2,430	2,409
Core and MCE Electives	894	900	881	870	873	871	868	869	857	852	844	849	854
Core, MCE Electives and TREC MCE Legal	6	6	6	6	6	6	6	6	6	6	6	7	7
Core, MCE Electives and TREC MCE Ethics	5	5	4	3	3	3	3	3	3	3	3	3	3
Core, MCE Electives, TREC MCE Legal and Ethics	492	494	503	499	498	497	495	492	497	495	499	503	515
MCE Electives and TREC MCE Legal	1	1	1	1	1	1	1	1	1	1	1	1	1
MCE Electives and TREC MCE Ethics	4	4	4	4	4	4	4	4	4	4	4	2	2
MCE Electives, TREC MCE Legal and Ethics	266	265	293	292	291	291	290	290	298	298	293	276	244
Total Approved Instructors	3,858	3,903	3,918	3,917	3,948	3,978	4,010	4,030	4,050	4,067	4,097	4,071	4,034

Enforcement Division Report

Case Status October 2009

	October 2009	YTD
Open at Beginning of the Month	991	-----
Opened During the Month	254	539
Closed During the Month	(401)	725
Open at End of Month	844	-----

	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10
Opened During Month:	285	254										
Administrative	55	43										
Public Complaints	98	87										
Application Investigations	54	50										
Moral Character Determinations	23	22										
Non-Jurisdictional Complaints	55	52										
Closed During Month:	324	401										
Administrative	29	35										
Public Complaints	118	157										
Application Investigations	102	111										
Moral Character Determinations	10	41										
Non-Jurisdictional Complaints	65	57										
Open at End of Month	991	844										

Enforcement Division

Administrative Actions

For October 2009

Name and Location	Order	Basis for Order
Gray, Robin Roanne(Katy); License# 576417	Agreed reprimand of salesperson license, entered October 5, 2009	failing to obtain the written consent from each party to act as an intermediary in the transaction and failing to state the source of any expected compensation to the broker in the consent(s), in violation of §1101.559(a) of the Texas Occupations Code; failing to make clear to all parties to a real estate transaction the party for whom the license holder is acting, in violation of §1101.652(b)(7) of the Texas Occupations Code
Brown, Amber Michelle(Dallas); License# 426203	Agreed reprimand of broker license, entered October 19, 2009; Agreed administrative penalty of \$2,000, entered October 19, 2009	engaging in conduct that constituted withholding from or inserting into a statement of account or invoice a statement that the license holder knew made the statement of the account or invoice inaccurate in a material way, specifically by charging a property owner for the filing of an eviction lawsuit when, in fact, such eviction did not occur, in violation of §1101.652(b)(24) of the Texas Occupations Code; engaging in conduct that constituted dishonest dealings, bad faith or untrustworthiness in charging a property owner for the filing of an eviction lawsuit, when such eviction failed to occur, authorizing repairs without the property owner's authorization, and posting disparaging remarks in the MLS about a property owner, in violation of §1101.652(b)(2) of the Texas Occupations Code
Bel Air Realty Group, Inc. (Dallas); License# 490229	Agreed reprimand of broker license, entered October 19, 2009; Agreed administrative penalty of \$500, entered October 19, 2009	acting negligently or incompetently by failing to monitor and properly supervise the brokerage activities of a sponsored salesperson, in violation of §1101.652(b)(1) of the Texas Occupations Code
Andrade, Melissa Irene(Corpus Christi); License# 522403	Agreed suspension of salesperson license, fully probated for 2 years, effective October 30, 2009	pleading guilty to and being placed on deferred adjudication for a felony in which fraud is an essential element, in violation of §1101.652(a)(1) of the Texas Occupations Code; failing to notify the Commission, not later than the 30th day after the date of the entry of a plea of guilty, that the person has entered a plea of guilty to a felony involving fraud, in violation of §1101.652(a)(9) of the Texas Occupations Code; and failing to provide, within a reasonable time, information requested by the Commission that relates to a formal or informal complaint to the Commission that would indicate a violation of The Real Estate License Act, in violation of §1101.652(a)(6) of the Texas Occupations Code
Richardson, John Gary (Houston); License# 418412	Agreed reprimand of broker license, entered October 12, 2009; Agreed administrative penalty of \$500, entered October 12, 2009	failing within a reasonable time to make good a check issued to the Commission, in violation of §1101.652(a)(4) of the Texas Occupations Code; failing to pay a check processing fee within 15 days after the Commission has mailed a request for payment, in violation of 22 TAC §534.2(a)
Smith, Larry(Spring); License# 150	Agreed revocation of professional inspector license fully probated for 2 years, effective October 12, 2009	payment of \$12,500.00 made from the Real Estate Inspection Recovery Fund toward satisfaction of a judgment as authorized by §1102.402 of the Texas Occupations Code
Hawpe, Celia Moor(Edmond); License# 524644	Revocation of salesperson license, effective October 19, 2009	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 a real estate salesperson license, in violation of 22 TAC §535.91(c)

Technology Services Division
Electronic Information Outlet Statistics

October 2008

World Wide Web	Current Month	YTD Total	Prior YTD Total
Total Pages Viewed	2,091,349	4,209,687	5,201,279

TREC E-Mail Notification List	Current Total
Current Subscribers	193,787

Online Transactions	Total	Online	Online Percent	YTD Online Percent	Prior YTD Percent
Applications (Performance Measure: 70%)	1213	988	81.5%	82.3%	78.9%
Broker Application	135	115	85.2%	88.7%	80.0%
Broker Late Renewal Application	109	48	44.0%	48.8%	47.1%
Salesperson Application	942	820	87.0%	87.2%	85.1%
Corporate Application	27	5	18.5%	28.8%	27.7%
Renewals (Performance Measure 80%)	5409	4843	89.5%	89.5%	89.5%
Broker Renewals	1386	1246	89.9%	89.1%	89.9%
Salesperson SAE Renewal	436	324	74.3%	72.8%	76.2%
Salesperson MCE Renewal	3246	3035	93.5%	93.8%	93.7%
Corporate Renewals	134	124	92.5%	92.6%	93.3%
Limited Liability Company Renewals	86	81	94.2%	92.7%	94.4%
Professional Inspector Renewals	49	13	26.5%	30.8%	25.9%
Real Estate Inspector Renewals	6	1	16.7%	25.0%	16.7%
Apprentice Inspector Renewals	0	0	0.0%	0.0%	75.0%
Easement ROW Business Renewals	1	0	0.0%	0.0%	33.3%
Easement ROW Individual Renewals	65	19	29.2%	29.9%	29.1%

Staff Services Division
Agency Financial Statement

October 2009

THRU 2ND MONTH OF FISCAL YEAR 2010

STRATEGIES	FY 10 APPROPRIATION*	2/12 ANNUAL APPROPRIATION	TWO MONTHS EXPENDITURES AND A/P**	\$ VARIANCE OVER(-) OR UNDER	% VARIANCE OVER(-) OR UNDER	ENCUMBRANCES***
Licensing	\$ 2,535,683.00	\$ 422,613.83	\$ 353,123.29	\$ 69,490.54	16.44%	\$ 146,479.17
Enforcement	1,784,072.00	297,345.33	272,624.13	24,721.20	8.31%	104,436.90
Communication/Information	833,756.00	138,959.33	130,300.40	8,658.93	6.23%	29,243.83
Indirect Administration	1,780,522.00	296,753.67	251,387.78	45,365.89	15.29%	405,075.15
TOTAL	\$ <u>6,934,033.00</u>	\$ <u>1,155,672.17</u>	\$ <u>1,007,435.60</u>	\$ <u>148,236.57</u>	12.83%	\$ <u>685,235.05</u>

* Total appropriations have been increased by \$26,700 for benefit replacement pay.

In the Licensing strategy, FBI criminal history background check fees in the amount of \$82,255.25 have been collected and accrued as a payable to DPS. Also in the Licensing strategy, subscription fees in the amount of \$49,655 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 "Two Months Expenditures and A/P" column.

Staff Services Division
Real Estate Recovery Trust Account No. 971 Investments
Current Securities
October 2009

Purchase Date	Par Value	Purchase Price	Beginning Market Value	Additions Changes	Ending Market Value	Accrued Interest	Description	Maturity Date
02/24/2006	200,000.00	192,000.00	202,500.00	(562.50)	201,937.50	1,458.33	U.S. T-Notes, 3.50%	02/15/2010
12/21/2004	200,000.00	221,250.00	209,312.50	(812.50)	208,500.00	2,395.83	U.S. T-Notes, 5.75%	08/15/2010
11/29/2005	100,000.00	99,750.00	103,968.75	(312.50)	103,656.25	177.08	U.S. T-Notes, 4.25%	10/15/2010
05/28/2009	200,000.00	201,470.30	200,875.00	62.50	200,937.50	583.33	U.S. T-Notes, 0.875%	12/31/2010
02/24/2006	100,000.00	102,000.00	106,031.25	(281.25)	105,750.00	1,041.67	U.S. T-Notes, 5.00%	02/15/2011
05/24/2005	300,000.00	318,421.88	323,250.00	(468.75)	322,781.25	3,125.00	U.S. T-Notes, 5.00%	08/15/2011
02/28/2007	100,000.00	99,750.00	107,375.00	(31.25)	107,343.75	1,875.00	U.S. T-Notes, 4.50%	11/30/2011
08/29/2007	200,000.00	205,370.92	217,562.50	(437.50)	217,125.00	2,031.25	U.S. T-Notes, 4.875%	02/15/2012
02/20/2009	200,000.00	222,000.00	218,312.50	(250.00)	218,062.50	3,958.33	U.S. T-Notes, 4.750%	05/31/2012
12/06/2007	100,000.00	104,750.00	108,593.75	(93.75)	108,500.00	911.46	U.S. T-Notes, 4.375%	08/15/2012
05/27/2008	100,000.00	101,062.50	105,906.25	(62.50)	105,843.75	1,406.25	U.S. T-Notes, 3.375%	11/30/2012
02/20/2009	200,000.00	219,250.00	214,937.50	(250.00)	214,687.50	1,614.58	U.S. T-Notes, 3.875%	02/15/2013
Totals	\$ 2,000,000.00	\$ 2,087,075.60	\$ 2,118,625.00	\$ (3,500.00)	\$ 2,115,125.00	\$ 20,578.11		

	Current Month	Cumulative Totals
Receipts:		
License's Remittances to Recovery Fund	\$ 14,620.00	\$ 6,053,970.08
Interest Realized	2,125.00	5,939,581.65
Repayments to Recovery Fund (Principal and Interest)	792.56	1,084,591.92
Administrative Penalties	4,250.00	686,686.65
Total Received	\$ 21,787.56	\$ 13,764,830.30
Disbursements:		
Investments Purchased (Offset by Matured Security)	\$ 0.00	2,088,651.88
Accrued Interest Purchased	0.00	0.00
Payments from Recovery Fund	141,603.36	11,006,055.57
Rider Disbursements	0.00	13,506.50
Total Disbursed	\$ 141,603.36	\$ 13,108,213.95
Totals	(119,815.80)	656,616.35
	(Current Month)	
Reserved for Investment		0.00
Reserved for Potential Payments Within 90 Days		(407,935.00)
Balance		\$ 248,681.35

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

Ram Alexander

Barbara C Koll

Staff Services Division

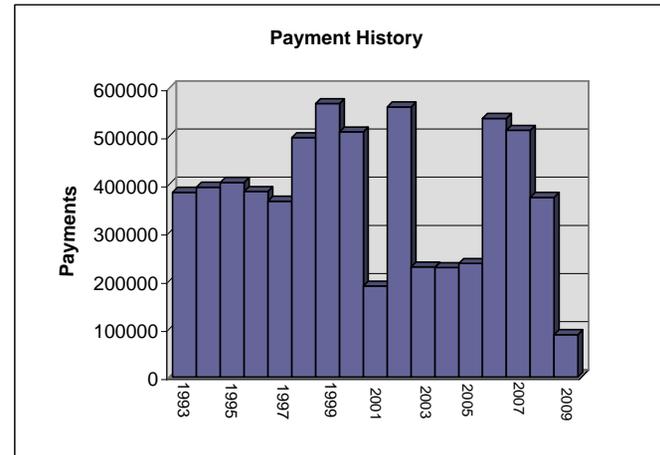
Real Estate Recovery Trust Account No. 971 Investments Payments and Repayments

October 2009

Month-Year	Payment Total	Repayment Total	Admin Penalties Total	Rider Disbursements	Payments FY2010-To-Date	Number of Payments
October 2008	0.00	2,126.02	14,100.00	0.00		
November 2008	4,780.00	540.00	4,750.00	73.10		
December 2008	0.00	835.00	22,750.00	139.44		
January 2009	0.00	1,010.75	9,450.00	53.10		
February 2009	30,152.28	775.00	3,650.00	1,786.40		
March 2009	25,516.81	765.00	5,416.67	0.00		
April 2009	15,784.52	765.00	12,000.00	0.00		
May 2009	0.00	190.00	3,808.33	86.40		
June 2009	12,065.74	766.37	7,808.33	18.70		
July 2009	0.00	18,420.82	8,016.66	20.00		
August 2009	0.00	999.82	5,550.00	0.00		
September 2009	50,000.00	3,387.69	10,846.66	0.00	50,000.00	1
October 2009	141,603.36	792.56	4,250.00	0.00	141,603.36	3
	279,902.71	31,374.03	112,396.65	2,177.14	191,603.36	4

Payment History		
Fiscal Year	# of Payments	Total Payments
thru 1992	345	4,350,190.77
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
2008	12	373,414.95
2009	5	88,299.35
Total	660	\$10,814,452.21

**Potential Payments*
Next 3 Months 407,935.00**



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

