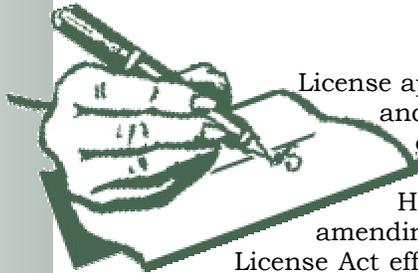




TREC Advisor

Texas Real Estate Commission ★ Volume 12, Number 3 ★ September 2001

NEW LAW IMPACTS LICENSE APPLICATIONS



License application processes and requirements are changing as a result of the passage of House Bill 695, amending The Real Estate License Act effective September 1, 2001 and January 1, 2002.

Real Estate Licenses

Beginning September 1, 2001, all salesperson applications will be for an inactive license, and a broker will no longer sign the application as a sponsor. Once an inactive license has been received, the salesperson may begin practice as soon as a broker holding an active license has mailed a request to TREC to sponsor the salesperson (along with a \$20 fee). As a convenience to those applicants who have already arranged for a sponsor, the application materials include a request for sponsorship form that an active broker may submit along with the salesperson's application. If the request form and \$20 fee have been filed, TREC can issue an active license to the salesperson as soon as the examination has been passed and all other requirements met.

For applications filed on or after January 1, 2002, education requirements will change for real estate salesperson and broker applicants. Applications filed prior to

that time are not affected by the change in the law. Salesperson applicants must have completed 120 classroom hours of core real estate courses with 60 hours in Principles of Real Estate and 30 hours each in Law of Contracts and Law of Agency. An additional 60 hours may be in other core subjects or in acceptable real estate related courses. Broker applicants must have completed 270 hours of core real estate courses; the remaining 630 hours may be either in core subjects or acceptable real estate related courses. An evaluation of a potential applicant's courses must be performed before an application may be filed (see "The Real Texas Two-Step", TREC Advisor, Vol. 12, Number 1).

Inspector Licenses

As of September 1, 2001, real estate inspector and professional inspector license applicants may pay reduced filing fees as a result of House Bill 695. Due to a provision in the law that required TREC to charge additional fees for previously licensed applicants, some applicants were charged an additional \$17.50 to \$35, depending on how long the previous license had been expired. Under the new law, all applicants will pay the same filing fees, which presently are \$45 for real estate inspectors and \$60 for professional inspectors. TREC application forms have been revised to

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TEXAS REAL ESTATE COMMISSION

Meeting Highlights

THE MISSION of the Texas Real Estate Commission

is to assist and protect consumers of real estate services, and foster economic growth in Texas. Through its programs of education, licensing and industry regulation, the Commission ensures the availability of capable and honest real estate service providers.

June 11, 2001

Three new members joined the Texas Real Estate Commission (TREC) at its June meeting: Louise Hull of Victoria, John Walton of Lubbock, and Paul Jordan of Georgetown. They were welcomed to the Commission and presented with member pins by Chairman Mike Brodie.

During staff reports, the Commission received an overview of legislative changes affecting real estate, including the various provisions of HB 695, the TREC housekeeping bill. Seven amendments to existing Rules were proposed by the Commission for possible final action at the next meeting. Three of the amendments concerned the requirement of licensees to provide TREC with a permanent mailing address while the remaining amendments were required as a result of changes in The Real Estate License Act (TRELA) enacted by the 77th Legislative session.

Final action was taken on 535.148 which clarifies that, before receiving a fee from a third party, a licensee must obtain the consent of his or her client and any person paying for the services of the third party. Additionally, the Commission adopted amendments to 535.64 which require that all examination preparation courses must be approved for a two-year period expiring on December 31st of odd-numbered years. No fees are charged by TREC for these course applications and approvals.

Motions for rehearing, probation, and modification presented by Carl Eugene

Hedlund, William Hardy Ainsworth, and Metro of El Paso, Inc. were denied. Following a hearing on the matter of the late renewal application of Robert Ames Yancey, the Commission moved that Mr. Yancey be issued a license that would be limited to a probationary status for four years.

July 16, 2001

At its July meeting, the Commission received reports from Commissioners Austin and Jokl on their representation of TREC at the ARELLO Southern District Conference held in Biloxi, MS. Assistant Administrator Sabrina Hassumani reported that the TREC field investigators would be attending an ARELLO Investigative Workshop in Austin on July 17-19, followed by an Enforcement Division annual conference on July 20th. Additionally, she reported that a number of subject matter experts were contributing to item writing and review sessions for the real estate and inspector examinations on July 16 and 17 at the TREC headquarters.

The Commission adopted four amendments to Rules on an emergency basis to go into effect on September 1st, in compliance with legislative actions. They were 535.51 allowing individuals to apply for a salesperson license without a sponsoring broker; 535.101 changing the transcript evaluation fee from \$15 to \$20; 535.208 deleting a variable fee for late renewal of inspector licenses; and 535.210 standardizing at \$20 the fee for changes to inspector licenses.

A modification in 535.62 to allow online examinations for continuing education courses was proposed for possible

approval at the next meeting. This led to a discussion of allowing students and/or providers to electronically report course completions to TREC. The Administrator indicated that language for a possible amendment to that effect would be developed for consideration by the Commission in September.

It was announced that two of the six-year terms for brokers on the Broker-Lawyer Committee would end on August 31, 2001. Individuals wishing to be considered for these positions should write to the Chairman no later than August 31st and a final selection would be made at the September 10, 2001 Commission meeting.

The Administrator was authorized to enter into a Memorandum of Understanding with the Texas Appraiser Licensing and Certification Board concerning the provision of administrative services by TREC. A representative of Experior Assessments provided an annual report on the examination program. Since the current contract will expire on August 31, 2002, the Administrator was authorized to prepare and issue a Request for Proposals for examination-related services after that date.

A general review and discussion was undertaken of various policy statements adopted by the Commission. The Members voted to negate all such policy statements adopted prior to September 1, 1989 and to review all subsequently enacted statements. These remaining policy statements will be considered for modification, repeal, or reenactment at the September 10th Commission meeting. Finally, after a presentation by attorneys for the respondent and the

Official publication of the
Texas Real Estate Commission
Volume 12, Number 3
September 2001

Rick Perry
Governor

Commission Members:

C. Michael Brodie
Chairman
Broker member

Kay Sutton
Vice-Chair
Broker member

James N. Austin, Jr.
Secretary
Broker member

Ramon "Mick" Cantu
Public member

Maria Gil
Public member

Louise E. Hull
Broker member

Lawrence D. Jokl
Broker member

Paul H. Jordan
Public member

John S. Walton
Broker member

TREC Administrator
Wayne Thorburn

Desktop Publisher
Patricia Holder

The TRECAdvisor (ISSN 1047-4579) is published by the Texas Real Estate Commission (TREC) as an educational service to licensees in the state of Texas. The purpose of the newsletter is to promote a better understanding of the Real Estate License Act and to inform all licensees of changes affecting laws and practices in the real estate industry. The TRECAdvisor is funded through legislative appropriations and subscriptions collected from TREC licensees. The official text of TREC rules is filed with the Office of the Secretary of State, Texas Register. TREC encourages reproduction of this newsletter with the appropriate acknowledgments. Subscriptions are available for \$4.00 for two years. Single issues are \$1.00. To order a subscription or a single issue write to TRECAdvisor, Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188. For information regarding TREC, contact:

Texas Real Estate Commission
P.O. Box 12188
Austin, Texas 78711-2188
(512) 459-6544 or (800) 250-TREC
<http://www.trec.state.tx.us>

SPECIAL BORDER AREA LAWS PROHIBIT SALES OF SOME RESIDENTIAL LOTS

According to the Office of the Attorney General of Texas, brokers and salespersons along the Texas-Mexico border need to be aware of special laws that forbid advertising and selling a rural residential lot that lacks water and sewer facilities or that has not been platted.

In the past decade, the Texas Legislature has adopted a number of laws to address problems of "colonias," substandard residential subdivisions without proper infrastructure. One such law, Subchapter B of Chapter 232 of the Texas Local Government Code (sections 232.021-232.043), contains special requirements for subdividing, advertising, selling, and connecting utilities to residential subdivision lots. Under amendments effective Sept. 1, 1999, Subchapter B applies to virtually any subdivision with two or more residential lots outside city limits in 28 Texas counties near the Texas-Mexico border (specifically, those counties that have any part within 50 miles of the border).

Section 232.040(b) provides that a lot -- even a platted lot -- may not be sold if its water and sewer services do not meet minimum state standards, unless the lot has been platted or replatted in accord with Subchapter B (thereby providing financial guarantees for those utility services). The only exception is if the lot owner resides on the lot and is not the subdivider or an agent of the subdivider who created the lot. Thus, sellers and their agents (including brokers and salespersons) need to know that before a residential lot may be sold or offered for sale, it must generally have adequate water and sewer service either installed or financially guaranteed (through platting or replatting under Subchapter B). This includes an on-site sewage facility, if needed.

Section 232.035(a) forbids the sale of a lot, by either the subdivider or the subdivider's agent, if the lot has not been platted as required by Subchapter B. A violator faces substantial civil

(Continued on page 8)

Check us out!



www.trec.state.tx.us

FOR ALL TREC FORMS, CONTRACTS and ADDENDA
INFORMATION ON LICENSEES, EDUCATION PROVIDERS,
ON-LINE LICENSE RENEWALS
PLUS MUCH MORE!

TREC APPROVES NEW ADDENDUM FOR USE

At its meeting on July 16, 2001, TREC approved an addendum for use in the sale of unimproved property. The addendum was developed by the Texas Real Estate Broker-Lawyer Committee to facilitate compliance with HB 2033, which becomes effective September 1, 2001. The form is captioned "Addendum for Unimproved Property Located in a Certificated Service Area of a Utility Service Provider."

HB 2033 enacts §13.257 of the Texas Water Code; the new law requires the seller of unimproved property located in a certificated service area of a utility service provider to give a statutory notice to the purchaser prior to the effective date of the contract. The notice identifies the service provider and advises the purchaser to contact the provider to determine the cost of obtaining water or sewer service and the time period that may be required before service may be provided to the property. Failure to provide the notice permits the buyer to terminate the contract and, in some cases, sue the seller for damages and reasonable attorney's fees. There are exceptions in §13.257 similar to

those for the seller's disclosure of property condition under §5.008 of the Property Code. For example, §13.257 does not apply to certain foreclosure sales.

The new law also will apply to nonresidential sales when the property is located in a utility provider's service area. Because the TREC addendum is approved only for use with other TREC forms, and TREC has not approved or promulgated commercial contract forms, licensees involved in the sale of commercial property subject to §13.257 should obtain another version of the statutory notice for use in those sales. Under TREC rules, licensees may use forms prepared by an attorney when no TREC form has been promulgated for that kind of transaction.

Licensees may obtain copies of the new form on the TREC web site at <http://www.trec.state.tx.us>. A copy may also be obtained by mail from TREC for \$3.55, including sales tax and postage.



Texas Real Estate Commission
P.O. Box 12188
Austin, Texas 78711-2188

REQUEST FOR:
EVALUATION OF EDUCATION DOCUMENTS

FEE	REGISTER NUMBER	AMOUNT	\$ TYPE
Evaluation Fee		<input type="checkbox"/> \$15.00 <input type="checkbox"/> \$20.00	

For requests postmarked or filed on or after September 1, 2001 the fee is \$20. Evaluation will be based on current statutory requirements and TREC rules.

DO NOT WRITE ABOVE THIS LINE

NOTE: ALL INFORMATION MUST BE TYPED OR PRINTED IN INK

Before completing this form see important information on the reverse.

1. I am requesting TREC to evaluate the attached education documents for a (mark one box only):
 salesperson license broker license.
 I am the person to whom credit was given for these courses by the education provider.

Full Name (Last, First, Middle) _____ Signature of Requestor _____

2. License Number (if previously licensed by TREC) _____ 3. Social Security Number _____

Note: Section 231-302 of the Texas Family Code REQUIRES all applicants to disclose their Social Security Numbers (SSN) when filing an application. The SSN will be confidential and is required to enforce Child Support orders. Failure to provide SSN will prevent a license from being issued and could ultimately lead to termination of the application.

4. Permanent Mailing Address and Contact Information (include complete address to which the results of the evaluation should be mailed)

Number, Street and Apt. No. -or- P.O. Box _____

City _____ State _____ Zip _____ (Area Code) _____ Phone Number _____

E-mail address: _____ (johndoe@aol.com for example)

5. Evaluation based on: (mark if applicable) A previous Texas real estate license
 An out of state broker license

All salesperson applicants and all broker applicants who have *not* previously submitted a photo to TREC: ATTACH PHOTO HERE

Providing a photograph at this time will expedite processing of an application for a license and permit you to file the application online at the TREC web site at <http://www.trec.state.tx.us>. Failure to provide a photograph will delay issuance of a license even if the applicant has passed the examination and completed all other requirements to receive a license.

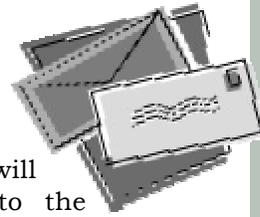
This document is available on the TREC website at www.trec.state.tx.us
Request for Evaluation of Education Documents (Revised 08/2001) (TREC Form Document # 77000019)

New Education Evaluation Form Released For Use By Licensee Candidates

**Online salesperson applications
available soon**

In anticipation of offering online salesperson license applications by December, 2001, TREC has revised its Education Evaluation Form. By signing the form and providing a photograph, a person will be able to apply online and pay filing fees by credit card. The new Education Evaluation Form is available online at www.trec.state.tx.us

Permanent Mailing Address Takes Effect November 1, 2001



Effective November 1st, the Texas Real Estate Commission will begin sending all official mail (except the *TRECAdvisor*) to the **permanent mailing address** for brokers and inactive salespersons as well as for inspectors and easement and right-of-way agents. Correspondence for all active salespersons will be sent to the sponsoring broker's **permanent mailing address**.

To ensure that TREC has the correct **permanent mailing address**, please take a moment **before November 1st** to visit our web site at www.trec.state.tx.us where you can click on the *Permanent Mailing Address Verification* and follow the easy steps to verify or change your permanent mailing address. There is no charge for updating a **permanent mailing address**. All subsequent address changes must be reported to TREC within ten days of the change.

INTERNATIONAL INVESTIGATIVE CONFERENCE HELD IN AUSTIN

Austin was the site of an international investigative workshop sponsored by the Association of Real Estate License Law Officials (ARELLO) on July 17-19, 2001.

The conference brought together more than forty investigators representing state real estate agencies from as far away as Delaware and Idaho. The twice a year event provides an opportunity for investigators to network with their peers from other jurisdictions, learn of new techniques and approaches, and begin the process of obtaining a Certified Real Estate Investigator

designation.

Presentations focused on identifying false documents, uncovering secret profits, improving interview techniques, and using the Internet to pursue needed information. Nine of TREC's Field Investigators attended the conference along with three Legal Assistants from the Enforcement Division. The conference was organized by Emmett Wood, Chief Investigator for the North Carolina Real Estate Commission and coordinated locally by Rick Valdes, Case Manager for the Texas Real Estate



Association of Real Estate License Law Officials (ARELLO) Investigators Conference held in Austin



Disciplinary Actions

June 2001-July 2001

Stone, Taylor Nash
(Dallas); license# 415183
Agreed reprimand of broker license, entered June 1, 2001; Agreed administrative penalty of \$200, entered June 1, 2001; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission

Aubrey, Ladonna Gail
(Richland Hills); license# 429118
Agreed reprimand of salesperson license, entered June 7, 2001; making a false promise to the seller to refund added closing costs which influenced the seller to close when she did not intend to keep such promise, in violation of Section 15(a)(6)(B) of The Real Estate License Act

Barker, John Melvin
(Richardson); license# 293808
Agreed reprimand of broker license, entered June 7, 2001; negligent supervision of salesperson who was conducting real estate brokerage associated with an unlicensed corporation and failing to timely obtain a branch office license as required, in violation of Section 15(a)(6)(W) of The Real Estate License Act

GL-CC Corporation
(League City); license# 408049
Agreed reprimand of broker license, entered June 8, 2001; Agreed administrative penalty of \$500, entered June 8, 2001; allowing a salesperson under its sponsorship and supervision to use a Commission-promulgated sales contract form in a contract-for-deed transaction, thereby acting negligently or incompetently in performing an act for which a person is required to hold a real estate license, in violation of Section 15(a)(6)(W); continuing to divide commissions or fees with a salesperson whose license had expired, in violation of Section 15(a)(6)(F); making a material misstatement of fact in an application for late renewal of the salesperson's license by failing to indicate that the salesperson had acted as a salesperson at a time when not properly licensed, in violation of Section 15(a)(2) of The Real Estate License Act

Mangum, Martha
(Weimer); license# 344364
Agreed reprimand of salesperson license, entered June 8, 2001; Agreed administrative penalty of \$250, entered June 8, 2001; failing to furnish the written statement to a party in a real estate transaction as required by Section 15C(d) of the Real Estate License Act, in violation of that section; drafting language in a

sales contract making the contract contingent upon the sale of other property by the buyer and failing to use the addendum promulgated by the Commission for that purpose, in violation of 22 TAC Sections 537.11(b) and 537.11(d) of The Rules of the Texas Real Estate Commission

Matter, Thomas Randolph
(Dallas); license# 151808
Revocation of broker license, effective June 8, 2001; failing to pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission

Von Ach, Catherine E.
(Austin); license# 136870
90-day suspension of broker license, effective June 11, 2001; failing within a reasonable time to properly account for or remit money which belonged to others, or commingling her funds with others, by the issuance of an insufficient check to pay rental proceeds and failing to promptly replace the check after formal demand, in violation of Section 15(a)(6)(E); acting negligently or incompetently by failing to reasonably maintain or correct known discrepancies in her accounts, in violation of Section 15(a)(6)(W); failing to produce all documents in her possession concerning a real estate transaction for inspection by the Commission's representative, in violation of Section 15(a)(7) of The Real Estate License Act

Hedlund, Carl Eugene
(San Antonio); license# 463670
Revocation of salesperson license, effective June 18, 2001; criminal conviction of the federal felony offense of bank fraud, in violation of 18 USC 1344 by unlawfully diverting funds received in connection with servicing real estate loans held by a federal banking institution, in violation of Section 53.021(b), Texas Occupations Code and Section 15(a)(1) of The Real Estate License Act

Metro of El Paso, Inc.
(El Paso); license# 279529
Revocation of broker license, effective June 18, 2001; permitting an unlicensed assistant to engage in acts of a real estate licensee, in violation of Section 15(a)(6)(S); failing or refusing on demand to produce documents for inspection by the Commission's investigator, in violation of Section 15(a)(7) of The Real Estate License Act

Ainsworth, William Hardy
(El Paso); license# 147282
Revocation of broker license, effective June 18, 2001; permitting an unlicensed assistant to engage in acts of a real estate licensee, in violation of Section 15(a)(6)(S);

failing or refusing on demand to produce documents for inspection by the Commission's investigator, in violation of Section 15(a)(7) of The Real Estate License Act

Morgan, Richard Lee
(Houston); license# 392895
Agreed reprimand of salesperson license, entered June 20, 2001; Agreed administrative penalty of \$500, entered June 20, 2001; while acting as the buyer's agent in a transaction, assisting the seller in covering over a particular condition of the property, thereby acting negligently or incompetently in performing an act for which a person is required to hold a real estate license, in violation of Section 15(a)(6)(W) of The Real Estate License Act, and thereby violating 22 TAC Section 535.156(b) of the Rules of the Texas Real Estate Commission

Borchers, Barbara Ann
(Houston); license# 213886
Revocation of broker license, effective June 22, 2001; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate broker license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission

Marr, Ronald Lee
(Houston); license# 118770
Agreed reprimand of broker license, entered June 25, 2001; Agreed administrative penalty of \$200, entered June 25, 2001; failing to complete mandatory continuing education hours within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission

Thurmond, William Kenneth
(Dallas); license# 350176
Agreed reprimand of salesperson license, entered June 26, 2001; Agreed administrative penalty of \$200, entered June 26, 2001; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission

Munoz, Rafael
(Dallas); license# 373864
Revocation of salesperson license, effective June 28, 2001; 2 counts of converting funds belonging to another person for his own use and benefit and failing to refund the monies, in violation of Section 15(a)(6)(E); 2 counts of failing within a reasonable time to properly deposit money received as escrow agent, in violation of Section 15(a)(6)(Y); failing or refusing to produce documents in his possession

Calendar of Events

Commission Meetings:

September 10, 2001
October 29, 2001
December 3, 2001
February 4, 2002

Web site:

<http://www.trec.state.tx.us>

Phone

(800) 250-TREC (8732)
or
(512) 459-6544

concerning a real estate transaction for inspection by the Commission's representative, in violation of Section 15(a)(7); failing within a reasonable time to provide information requested by the Commission as result of a complaint, in violation of Section 15(a)(8) of The Real Estate License Act

Coble, Marvin T.
(Dallas); license# 427231

Revocation of salesperson license, effective June 28, 2001; failing within a reasonable time properly to account for or remit money coming into his possession which belongs to others, in violation of Section 15(a)(6)(E); failing within a reasonable time to deposit money received as escrow agent in a real estate transaction, in violation of Section 15(a)(6)(Y); failing or refusing on demand to produce documents in his possession concerning a real estate transaction for inspection by the Commission representative, in violation of Section 15(a)(7); failing within a reasonable time to provide information requested by the Commission as a result of a complaint, in violation of Section 15(a)(8) of The Real Estate License Act

McNatt, J. Bruce
(Dallas); license# 285156

Agreed reprimand of broker license, entered June 29, 2001; Agreed administrative penalty of \$200, entered June 29, 2001; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission

Anthony, Bryan Lee
(Conroe); license# 268902

Revocation of broker license, effective January 3, 2001; failing to clarify to the sellers with whom he had a listing agreement that he had joined another person named in the contract as a buyer for the property, thereby acting in the dual capacity of broker and undisclosed principal in a transaction, in violation of Section 15(a)(6)(J); purchasing property listed by the broker after he or his office advised the seller that timber located on the property was worthless and then selling the timber at a profit, in violation of Section 15(a)(3); acting to advance his own interests to the detriment of his principals, in violation of Section 15(a)(6)(V) of The Real Estate License Act

Davis, Monna Bratton
(Dallas); license# 474964

Agreed reprimand of salesperson license, entered July 2, 2001; Agreed administrative penalty of \$200, entered July 2, 2001 failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission

Torres, Carlos Jose

(Houston); license# 398117
Agreed 30-day suspension of salesperson license fully probated for 6 months, effective July 2, 2001; establishing an association with unlicensed assistants who were expected or required to perform services as real estate agents, in violation of Section 15(a)(6)(S); acting negligently or incompetently in performing an act for which a real estate license is required, in violation of Section 15(a)(6)(W) of The Real Estate License Act

Flores, Frank D.
(Houston); license# 262305

Revocation of broker license, effective July 5, 2001; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate broker license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission

Hennington, Thomas Howard, Jr.
(Ranger); license# 129968

60-day suspension of broker license, effective July 9, 2001; sanctioning the operation of an unlicensed corporation as a real estate broker and paying sales commissions to the unlicensed corporation, in violation of Section 15(a)(6)(F); establishing an association with an unlicensed corporation that engages in real estate brokerage activities, in violation of Section 15(a)(6)(S); establishing an association with an unlicensed individual who engages in real estate brokerage activities, in violation of Section 15(a)(6)(S); negligently allowing an unlicensed salesperson to associate with him and perform acts for which a license is required, in violation of Section 15(a)(6)(W); providing a sponsored salesperson with computer software that did not properly reproduce a Commission promulgated contract form, in violation of 22 TAC Section 537.11(h) of the Rules of the Texas Real Estate Commission; failing to adequately train and supervise sponsored salespersons, in violation of Section 15(a)(6)(W) of The Real Estate License Act

McCormick, Monty Dale
(Port Neches); license# 4006

30-day suspension of inspector license, effective July 20, 2001; performing real estate inspections without being under the supervision of a sponsoring professional inspector, in violation of Section 24(c)(2) of The Real Estate License Act; making a material misstatement of fact in an application for licensure by failing to disclose that he performed inspections without being under the supervision of a sponsoring professional inspector, in violation of 22 TAC Section 535.208(e) of the Rules of the Texas Real Estate Commission [now 22 TAC Section 535.208(f)]; reporting on an

inspection performed for a prospective buyer of one-to-four family residential real property without using Commission-promulgated form REI 7A-O, in violation of 22 TAC Section 535.223(b); causing an advertisement to be placed on the Internet which did not include the name or assumed name of his sponsoring professional inspector, in violation of 22 TAC Section 535.221(b) of the Rules of the Texas Real Estate Commission

Hopkins, George Hamilton, Jr.
(Kerrville); license# 387731

Agreed reprimand of broker license, entered July 30, 2001; Agreed administrative penalty of \$200, entered July 30, 2001; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission

WATCH THE WEB FOR DRAFT CONTRACTS

The Texas Real Estate Broker-Lawyer Committee has been engaged in a revision of the TREC one-to-four family residential resale contract forms and is posting its drafts on the TREC web site for comments. TREC-L subscribers will receive a notification when each new draft is posted. In addition to a draft combining TREC No. 20-4 (All Cash, Assumption, Third Party Conventional or Seller Financing) and No. 21-4 (FHA Insured or VA Guaranteed Financing), the committee is considering new addenda for financing conditions, assumptions and seller financing. As these forms are modified in response to comments or are submitted to the members of the Commission for possible adoption, revised versions will appear on the TREC web site. Comments on the forms may be addressed to:

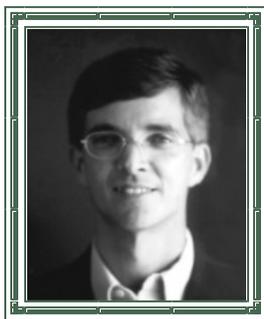
Broker-Lawyer Committee,
c/o TREC Office of General Counsel,
P. O. Box 12188,
Austin, Texas 78711-2188 or to
general.counsel@trec.state.tx.us.

**Renew your
broker or
salesperson
license on-line**

AS A SERVICE to our licensed subscription holders, we have included your license expiration date in the upper right hand corner of the mailing label.

Name
Company
Street
City, State

Lic. Exp. Date



Outstanding TREC Employee

TREC recognizes one employee semi-annually based on nominations of fellow employees. The nominees are evaluated on performance, teamwork, initiative, flexibility, leadership and other contributions to TREC's mission.

TREC is pleased to recognize **Paul Simpson** as Outstanding TREC Employee for the first half of 2001.

Paul joined TREC's Information Services team in the Spring of 2000 as a web developer. During the past 14 months, Paul has demonstrated a commitment to both efficiency and excellence. His major contributions include redesigning TREC's web site and working with the IS team to make online sales and broker renewals a reality for our licensees. Paul's technical expertise combined with his communication skills make him an asset for TREC.

Please join us in thanking Paul for his service to TREC and to the

Laws Regarding Colonias

(Continued from page 3)

penalties: a minimum of \$10,000 for each lot sold or offered for sale. If a rural residential lot is not shown on a subdivision plat properly approved and filed for record with the county, an agent should be sure that the seller is not the subdivider who created the lot before becoming involved in a transaction.

Under section 232.021(9), selling includes offering to sell. Therefore, it is illegal to offer for sale or advertise a lot that may not legally be sold. Under section 232.033(a), every advertisement (other than a small "for sale" sign on the lot) must accurately describe the availability of water,

sewer, gas, and electric utilities.

Utility services and connections to lots in border-area counties are subject to restrictions by both cities and counties. Municipal restrictions in Local Govt. Code sec. 212.012 apply within city limits and city extraterritorial jurisdictions (ETJ's). County restrictions under section 232.029 of Subchapter B apply to residential lots outside city limits. City and county planning departments may be able to provide information on the platting or utility status of a lot.

The 28 counties covered by Subchapter B are: Brooks, Brewster, Cameron, Crockett, Culberson, Dimmit, Duval, Edwards, El Paso, Hidalgo, Hudspeth, Jeff Davis, Jim

Got A Question About A Relocation Company?

Through a link maintained on the TREC web site, licensees may directly access The Real Estate Coalition for Cooperative Business Practices (the Coalition) of the Employee Relocation Council. By clicking on "The Interchange" on the Coalition's website at

<http://coalition.erc.org>

Licensees may raise concerns about their dealings with a relocation company and send a message to the appropriate company for response.