



SUBDIVISION INDUSTRY BULLETIN

Gray Davis, Governor
Maria Contreras-Sweet, Secretary, Business, Transportation, & Housing Agency
Paula Reddish Zinnemann, Real Estate Commissioner

Fall 2001
Department of Real Estate

Effective July 1, 2001 New subdivision fees

Following three years of reduced fees, it is now necessary for subdivision fees to be increased effective July 1, 2001; however, the new fees will still be below 1997 levels.

By way of background, in the early 1990's approximately \$14,000,000 of the Department of Real Estate's Special Fund Reserves, which had been accumulated to address economic uncertainties, were transferred to the State's General Fund to help address the State's overall budget situation. Subsequently, the previously transferred funds were ordered to be returned to the Department. When they were returned, they were repaid over a number of years in substantial amounts. These repayments caused uncharacteristic spikes in the Department's revenue and reserves which caused the reserves to exceed a six month level. This triggered the provisions of Business and Professions Code Section 10226 which limits the Department's reserves to six months. If that amount is exceeded, the Department is required to reduce subdivision and license fees to an amount which will result in reserves being less than six months at the close of the following fiscal year. Consequently, the return of the reserves resulted in subdivision and license fees being reduced to levels not reflective of the Department's true revenue flow in order to meet the mandate of Section 10226. Now that the reserves have been repaid and revenue has begun to stabilize, it is necessary to adjust subdivision and license fees to a level sufficient to support Department operations based on its traditional revenue flow.

Please refer to RE 605 (Subdivision Filing Fees) on page 9 of this Bulletin for the new schedule. ❖

Subdivision and license fees adjusted to a level sufficient to support Department operations

Lease option agreements

When lease option agreements are used for a sale, all the money that is designated to be applied towards the purchase price, whether it is a portion of the rent or otherwise, is purchase money. The subdivider must impound all of the purchase money under the provisions of Sections 11013, 11013.2, and 11013.4 of the Business and Professions Code and Regulation 2791.4.

Lease option agreements must be reviewed carefully to determine the amount of initial and monthly payments, rent or otherwise, that is to be credited as purchase money if and when the option is exercised.

In some cases where a lease option is used, all the money paid by the lessee to the subdivider/lessor is applied towards rent and not credited to the purchase price. In these cases none of the funds need to be impounded since they have been earned as rent by the subdivider/lessor.

The actual consideration for the option belongs to the subdivider and does not need to be impounded, unless otherwise agreed to in the option agreement. If the option consideration is to be credited towards the purchase price it must be impounded.

In some cases the subdivider will allow the purchaser to move into the home prior to the close of escrow. The rental or occupancy agreement should be reviewed to determine if any of the rent is being applied towards the purchase price. If so, then that amount being applied to the purchase price must be impounded.

Inactive associations

A "dormant" or inactive homeowners' association involves a *development* meeting the Civil Code definition of a condominium or planned development, but has a homeowners' association that is not currently active and not incorporated. Often this situation occurs when the local jurisdiction approves the subdivision with a maintenance area that is maintained by the local agency. The local agency also requires that

a homeowners' association be planned in case the local agency ceases maintaining the areas. These developments are processed by the Department as a common interest type of development.

Sometimes inactive association projects may only be activated by a specified voting procedure outlined in the restrictions. Other projects are activated if and when the local

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Energy-saving tips for your business

from Secretary Maria Contreras-Sweet

Running a successful business means making every dollar count. Cutting back on unnecessary energy use is an easy way to keep your hard-earned money working for you. The following are some suggestions you can put to work in minutes, and at absolutely no cost to you. These tips are designed to help you target your energy-saving efforts for maximum value and impact. (Please note that the savings numbers are based on a total warm weather electric bill. Equipment mentioned must be electric powered for estimates to be accurate.)

Fast and Free

Turn up your thermostat. In the summer, set your thermostat to 78 degrees or higher. (Save: 2% per degree above the old setting.)

Eliminate wasted energy

- Close window blinds to shade interior spaces from direct sunlight. (Save: 2%)
- Put your computer, monitor, and printer on sleep mode when not in use. (Save: 0.5%)
- Turn off lights in unoccupied rooms. (Save: 1–2%)
- Keep exterior doors closed as much as possible. (Save: up to 2%)
- Perform scheduled maintenance on air-conditioning units including cleaning condenser coils, replacing air filters, and checking ducts and pipe insulation for damage. (Save: 2–5%)
- Encourage employees to be energy conscious.

Inexpensive Energy Solutions

Make a quick trip to your local hardware store to purchase inexpensive energy saving tools and equipment.

Provide the right light levels

Use bi-level switches to reduce lighting to the necessary light level. If workstations are equipped with task lighting, consider disconnecting unnecessary lamps and fluorescent ballasts. Be sure to maintain safe lighting conditions. (Save: up to 15%)

Choose Energy Star® Lighting Products

- Replace incandescent light bulbs with Energy Star® compact fluorescent light bulbs. (Save: up to 10%)
- Install a programmable thermostat
- Lowering your air conditioning when you are closed will avoid unnecessary cooling costs. (Save: 1–4%)

Good Energy Saving Investments

Planning to do some remodeling soon? When you are ready to replace equipment, consider these energy efficiency suggestions.

Buy energy-efficient equipment

When purchasing computers, monitors, printers, fax machines and copiers, choose Energy Star® models that “power down” after a user-specified period of inactivity. (Save: 0.5%)

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STATE OF CALIFORNIA
GRAY DAVIS, Governor

Business, Transportation & Housing Agency
MARIA CONTRERAS-SWEET, Secretary

Department of Real Estate
PAULA REDDISH ZINNEBANN, Commissioner

Who's Who in Subdivisions

PRINCIPAL OFFICE

2201 Broadway, Sacramento, CA 95818-2500
Sam Perrotti

Assistant Commissioner, Subdivisions
vacant

Policy Coordinator/Industry Liaison

SUBDIVISIONS OFFICE—NORTH

Chris Neri

Managing Deputy Commissioner III
P.O. Box 187005, Sacramento, CA 95818-7005
2201 Broadway, Sacramento, CA 95818-2500
Telephone: (916) 227-0813

SUBDIVISIONS OFFICE—SOUTH

Robert D. Gilmore

Managing Deputy Commissioner III
320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105
Telephone: (213) 576-6983

SUBDIVISIONS, TECHNICAL UNIT

(Time-shares & Advertising Review)

P.O. Box 187005, Sacramento, CA 95818-7005
2201 Broadway, Sacramento, CA 95818-2500
Telephone: (916) 227-0810

Gil Hatfield Deputy Commissioner III
Chris Neely Deputy Commissioner III

BUDGET REVIEW SECTION

Lou Hauger Managing Deputy Comm. III
320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105
Telephone: (213) 576-6980



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Subdivision forms on the Internet

Have you seen our Web site lately? Many of the Subdivision forms are currently available in a downloadable format on the DRE Web site at www.dre.ca.gov. Check it out!

Some forms, including the Standard and Common Interest Notice of Intention, are now available in a “fill-in” format that allows the user to fill in and print a completed form. Many other forms may be downloaded, printed, and filled in manually. DRE is in the process of converting more forms to a fill-in format. A complete list of all forms, including lists of all downloadable forms and fill-in forms, can be found

through the DRE home page by clicking on “forms.” In the “forms” page you may locate subdivision forms by form number, or under the “Subdivisions” program area. Under the “forms” page you will also find instructions on how to download forms and solutions to potential problems using the forms.

Users of the fill-in forms will need the Acrobat Reader program, version 4.05 or better. You can download a free copy of Acrobat Reader through an Adobe link on the “forms” page of our Web site. With the addition of the Acrobat Business Tools program, version 4.05 or better, users may save commonly re-

peated information on fill-in format forms. Acrobat Business Tools is available for a fee through Adobe.

In the past DRE has approved the use of privately re-created electronic forms in place of DRE paper forms. As fill-in forms become available on the DRE Web site, DRE is phasing out the use of privately re-created electronic forms. Previously approved electronic forms will be accepted until 90 days after the form becomes available on the Web site in fill-in format. The date of form availability, and other useful information, can be found on the DRE home page under “what’s new.”

Energy-saving tips

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Reduce your lighting costs

- Retrofit T12 lights and magnetic ballasts to T8 lights and electronic ballasts. (Save: 10–15%)
- Retrofit incandescent light bulbs with compact fluorescent lights. (Save: 1–5%)
- Remove excess fluorescent lamps. (Save: up to 8%)
- Install automatic room lighting controls to turn lights on or off, depending on occupancy or time of day. (Save 1–3%)
- Retrofit incandescent or fluorescent exit signs with long-lasting, low-energy LED exit signs. (Save 0.2%)

Improve the efficiency of your cooling and ventilation systems

- Replace old package air conditioning systems with Energy Star® units, which are 20 to 30 percent more efficient than older models. (Save: 2–8%)
- Install an energy management system to better control heating, ventilation, air conditioning equipment and lighting. (Save: 2–8%)
- Rewire rest room fans to operate with the lights. (Save: up to 0.5%)
- Install ceiling fans, which will enable you to raise the thermostat setting up to four degrees while maintaining the same comfort level. (Save: up to 5%)
- Install reflective window film, solar screens or awnings on south and west facing windows. (Save: up to 5%)

- Install an air conditioning economizer to bring in outside air when cool outside. (Save: up to 5%)
- When replacing roofing, install Energy Star® reflective roofing materials. (Save: 1–8%)

Energy Efficiency & Conservation Programs

20/20 Energy Rebate — In many areas of California, residential, commercial and industrial customers are eligible for this voluntary program which will provide rebates to customers who reduce their summer 2001 electricity usage. Customers should call their local utility to inquire about eligibility. Customers of participating utilities will receive a 20% rebate on their summer electric bill if they cut back their electricity use by 20% of over last summer’s level. Alternative energy households are not eligible.

- Southern California Edison
http://www.sce.com/002_save_energy
1-800-736-4777
- San Diego Gas & Electric
<http://www.sdge.com/efficiency/index.html>
1-800-411-7343
- Pacific Gas & Electric
http://www.pge.com/003_save_energy/003a_res/index.shtml
1-800-933-9555 (residential customers)
1-800-468-4743 (commercial, industrial customers)

Check out www.flexyourpower.ca.gov for more information.



Under new management

Sam Perrotti Appointed

Sam Perrotti was appointed as Assistant Commissioner, Subdivisions in December 2000. In his position, Sam will direct the statewide subdivision activities of the Department from his office in Sacramento. Sam transferred from CalTrans to the Department of Real Estate in 1976. He was initially assigned to the Enforcement Section in Los Angeles as a Deputy Commissioner. He transferred to the Subdivision Section later that year. In 1977, Sam left State Service and worked as a subdivision manager and title officer for Lawyers Title Company in San Jose. In 1978 he returned to the Department as an Appraiser. He was promoted to Senior Appraiser in 1980 and worked in that capacity until his appointment as Assistant Commissioner, Subdivisions. Sam is a graduate of Providence College and the law school at the College of William and Mary. Presently he is chairman of the Planning Commission for the City of Hermosa Beach. Sam looks forward to working with the subdivision industry and improving the Department's internal processing system.

Margret Stroh Retires

After a long and successful career at the Department of Real Estate, Margret Stroh retired from her position as Manager of the Subdivision North Office. She began her career at the Department in 1960. After many promotions she was appointed Manager, Subdivisions North in 1984 and remained in that position for the remainder of her career. We all wish Margret the best in a well deserved retirement and will miss her very much.

Thomas Hensley Transferred

In December 2000, Thomas

Hensley transferred to the Department's Licensing Administration Section. Tom had been Assistant Commissioner, Subdivisions since 1991. We all wish Tom the best in his new assignment.

Sacramento Subdivisions

- In May 2001, Chris Neri was appointed as Manager, Subdivisions North. Chris began his career with the Department of Real Estate in January 1989 in the Los Angeles Subdivision Section. In 1997, Chris transferred to Subdivisions North. Chris graduated from Sacramento State University in 1987 with a business degree with a real estate concentration. He replaces Margret Stroh who retired on December 29, 2000.
- Shannon Boyd was appointed to the position of Office Technician on May 1, 2001. Shannon previously worked as a Program Technician in the CC Unit. In her new position, Shannon will be the lead support person for the Subdivision Technical Unit. Among her other duties, she will be responsible for setting up new filings for in-state and out-of-state time-share applications.
- On April 30, 2001, Joyce McCrum retired having worked with the State of California for 26 years. In her years with the state, Joyce was known for her pleasant demeanor. She plans to enjoy her retirement with her family and will be traveling in her motor home around the state and country.

Los Angeles Subdivisions

- Ronald Southard was hired as a Deputy Commissioner in January 2001. Ron was a planning

commissioner for Sutter County from 1976 to 1978, a member of the Yuba City Council from 1978 through 1986, mayor of Yuba City in 1982 and 1986, and a member of the Sutter County Board of Supervisors from 1989 to 1992.

- Deputy Commissioner Young Oh transferred from the Department's Audit Section in March 2001.
- Robert Cummings was promoted to a Senior Deputy Commissioner in April 2001.
- Diana Denov transferred from the Department of Social Services, Community Care Licensing to DRE as a Deputy Commissioner in May 2001.
- James Marsella was hired as a Deputy Commissioner in June 2001. He had been working at First Dial West Escrow Company in El Monte as Assistant Manager and Escrow Officer.

Budget Review Section

- Lou Hauger was promoted to a Managing Deputy Commissioner III in January 2001. Lou will continue his responsibilities as statewide manager of the Budget Review Section.
- Deputy Commissioner Shauna Roberts transferred from the Los Angeles Enforcement Section in February 2001. Shauna has a Bachelors Degree in Criminal Justice.
- Raquel Arboleda, Delisa Easter and Shauna Roberts were promoted to Deputy Commissioner Range D effective November 1, 2000. Raquel recently was selected as the bilingual employee (Tagalog) for the Los Angeles Subdivision Section. Raquel began parental leave in July 2001.
- Melinda Snipstad was hired as a Deputy Commissioner on June 15, 2001. She previously worked at the law firm of Cooper,

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Cost center guidelines

by Louis Hauger

For a number of years, the Department has recognized and approved the use of cost centers in common interest developments. In order to establish a uniform procedure that would be acceptable for the growing number of projects that can benefit from the use of cost centers, the Department, with assistance from industry, developed the following guidelines which became effective November 1, 1996.

Cost Center Guidelines

Proposed cost center arrangements should provide reasonable assurance that the facilities or services will be available to the units which are to be assessed for their support [B&P Code Section 11018(b)], that adequate financial arrangements have been made for the facilities or services [B&P Code Section 11018(e)], that reasonable arrangements have been made with respect to the interests of purchasers, whether or not subject to cost center assessment, with respect to the management, maintenance, preservation, operation, use and control of their units and the overall project [B&P Code Section 11018.5(e)], and that the arrangements are consistent with applicable provisions of the Davis-Stirling Common Interest Development Act.

I. Definitions for purposes of these guidelines:

- A. The term "cost center" refers to common facilities or services provided by a homeowners' association which directly confer a special benefit on some but not all the units within the common interest development, and which are to be wholly or primarily financed through the use of regular assessments on the benefited units. It would be unreasonable to require all members of the association to pay for a facility only benefiting a portion of the project. Typically, this may be a guard gate or recreational facility utilized only by a portion of the association membership.
- B. The term "cost center budget" refers to the elements of an association budget which are associated with cost center facilities and services to be assessed against benefited units, while the term "base budget" refers to the elements of an association budget which itemize the cost components to be shared by all the members of the association. The cost center budget could be part of the overall budget or a separate budget.

II. Processing Procedures:

- A. Approval of proposed cost center management of special-benefit facilities and services is based upon review of the governing instruments and budget arrangements, usually in conjunction with a substantially complete application.
- B. For exceptions or clarification, a pre-filing con-

ference may be scheduled with a budget review manager to evaluate the feasibility of the proposed cost center arrangements.

- C. If a pre-filing conference results in pre-approval of a cost center arrangement, the pre-approval should be provided in writing by DRE, and a copy of the written pre-approval submitted with the application.

III. Use of Sub-Associations Instead of Cost Centers:

- A. Whether special-benefit facilities or services should be managed through a cost-center, or instead be managed through a sub-association (or a separate association), can usually be determined by examining the relationship between the "cost center" and "base" elements of a proposed association budget, and the relationship between the "base" and "cost center" facilities and services covered by these budget elements.
- B. Sub-association or separate association management of special-benefit facilities or services should ordinarily be utilized in place of "cost center" management arrangements whenever:
 1. The special benefit services include maintaining residential structures, or the exterior of residential structures, for some but substantially less than all remaining residential structures in the overall project.
 2. The cost center burdens on the association are disproportionately high when compared to the benefits to its members so as to unduly burden the operation and governance of the association.

An exception to these requirements may be made where it would be burdensome to require a separate association or sub-association.

- C. DRE will not require use of a cost center when a sub-association or separate association is proposed.

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Cost center

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IV. Use of Special Allocations in Lieu of Cost Centers

When the special benefit is such that it does not warrant the establishment of a separate cost center, the cost of the benefit may be levied as a special allocation and these guidelines shall not apply.

V. Cost Center Budget Review:

- A. A base budget should be prepared which details all of the costs to be borne by all of the members. A cost center budget should be prepared which itemizes and allocates all of the costs to be charged to each special-benefit area.
- B. The budgets submitted should be properly documented and follow the guidelines in the *Operating Cost Manual For Homeowners' Associations*.
- C. In its budget review, DRE should ensure that there is appropriate compensation set aside within the cost center budget for the additional monthly accounting, management and annual review.

VI. Governing Instruments:

In designing the governing instruments for cost centers, the following issues should be considered:

- A. The "cost center" provisions in the CC&Rs will vary depending on the specific features of the cost center in the context of the overall project.
- B. There should be authority in the CC&Rs to assess the cost of common facilities or services on a special area or district. Therefore, the overall CC&Rs should include provisions that permit the use of cost centers.
 - 1. A cost center may be established in the CC&Rs, or the CC&Rs may reserve to the declarant or a successor the power to establish a cost center by subsequent declaration prior to the first sale of the first unit in the first phase containing units that will be subject to assessments through the use of a cost center budget.
 - 2. The CC&Rs may authorize the association or a sub-association to establish a cost center, and should authorize it to amend cost center provisions, with approval by members who will be subject to assessments through the use of a cost center budget and, where required by law, with approval by the members who will not be subject to cost

center assessments. The CC&Rs may include provisions for expanding or contracting the scope of existing cost centers.

- C. The CC&Rs should define the pertinent terms, such as "cost center," "base budget," "cost center budget," or "special improvement area." The area, units, facilities and services constituting the cost center should be clearly identified in the CC&Rs.
- D. The "cost center" arrangements should be for a common service or facility. The facility or service should be of a common nature to justify the assessment of its cost by the association on the benefited property.
- E. The CC&Rs should establish any easement rights necessary for the use and maintenance of the cost center.
- F. Provisions for special cost center management may be placed in supplementary CC&Rs. Supplementary CC&Rs may make it easier to amend cost center arrangements. But special care should be taken to make the terms of the supplementary CC&Rs consistent with the terms of the overall CC&Rs.
- G. The CC&Rs may establish special cost center advisory committees consisting of members whose separate units are subject to the obligation to support the cost center facilities.
 - 1. If so, the CC&Rs should include special election procedures for advisory committee members, including voting rights, notices, and quorums.
 - 2. The CC&Rs may make such a committee purely advisory in character, or instead permit the advisory committee to establish the operating rules of the cost center facilities, including rules for the use of the facilities by those whose units are not specially burdened with cost center assessments.
 - 3. The cost center advisory committees may be tasked with administering the special cost center facility use rules.
 - 4. The CC&Rs may reserve to the cost center advisory committee the day-to-day authority to set maintenance standards, schedules, and budgets and to award and administer maintenance contracts.

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DRE offices to remain open during temporary power interruptions

Due to the current statewide energy situation, it is possible that temporary power interruptions may occur in areas where Department of Real Estate (DRE) offices are located. In the event a temporary blackout should occur, the DRE has established procedures for all of its offices to remain open.

The DRE expects that its telephone systems should continue to function during a power outage, which will allow normal consumer and licensee inquiries to be handled. License, examination and subdivision applications, and other paper transactions will be accepted, receipted and subsequently processed once power is restored. However, the computer system may not be operational and as such, staff will not be able to access DRE license record information during a blackout period.

The Department will continue to assess its ability to function during power interruptions in order to minimize any inconvenience to the public. Your understanding is appreciated. ❖

Open

Available on CD or paper 2001 Real Estate Law Book

The 2001 Real Estate Law book contains the Real Estate Law (from the Business and Professions Code), the Regulations of the Real Estate Commissioner (from the California Code of Regulations), portions of the Administrative Procedures Act, and pertinent excerpts from various California Codes. The law book may be purchased in book format (\$20 +tax), CD-ROM format (\$20 +tax), or book and CD set (\$35 +tax). See order form (page 11).

The CD-ROM version of the law book is in a Folio VIEWS® information processing program for both Windows and Macintosh. This provides users with powerful search, bookmarking and annotation features. ❖

Inactive associations

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agency transfers ownership of pre-determined maintenance areas to the homeowners' association along with the maintenance responsibilities for these areas. Upon such transfer, the association is incorporated and commences active management of the newly acquired common areas.

As the areas that may potentially be maintained by the association are known, a mini duplicate budget package is submitted. The mini duplicate

budget package should include a copy of the application (RE 624), a copy of the HOA common facilities (RE 624A) and the budget (RE 623). Compliance with Regulation 2792.9 assuring payment of association assessments is generally not required. The management documents must include all provisions normally needed to operate an active homeowners' association. The CCRs should clearly indicate the trigger-

Under new management

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Cardaras and Kelleher, which is located in Pasadena. Melinda holds a B.S. degree from the University of Arizona and a real estate brokers license. Currently, she is studying for an MBA. ❖

Cost centers

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5. The delegation of duties to the advisory committee may make special property and liability insurance necessary.
 - H. The CC&Rs should prohibit by acceptable accounting practices commingling of cost center funds with the general funds, except where specifically authorized by law.
 1. There should be special provisions in the CC&Rs to restrict the use of cost center funds for general association purposes, to require documentation and disclosure of such uses, and to require replenishment of cost center funds taken and used for general purposes.
 2. The CC&Rs should require separate accounting for the funds that are collected and expensed on behalf of the cost center, and for annual review and disclosure of cost center reserves and reserve study. ❖
- ing event for activating the association and whether voter approval is necessary depending on the circumstances of the project. ❖

SUBDIVISION FILING FEES

RE 605 (Rev. 7/01)

FILING FEES**Basic Fees:**

- \$ 550 • Standard subdivision
- \$ 1650 • Common interest subdivision
- \$ 1650 • Time-share filings (in- and out-of-state)
- \$ 100 • Out-of-state registrations

Preliminary/Interim Public Report Fees:

- \$ 500 • Original/amended
- \$ 450 • Renewal

Conditional Public Report/Permit Fee

- \$ 500 • Original/amended
- \$ 450 • Renewal

Amendment Fees:

- \$ 400 • Standard
- \$ 400 • Common interest subdivision
- \$ 400 • Time-share filings (in- and out-of-state)
- \$ 100 • Out-of-state registrations
- \$ 125 • Subdivider Name Change Only (*Additional applications submitted concurrently — \$60 each*)

Renewal Fees:

- \$ 550 • Standard
- \$ 550 • Common interest subdivision
- \$ 550 • Time-share filings (in- and out-of-state)
- \$ 100 • Out-of-state registrations

\$ 150 Filing fee for **Notice of Intention** without a completed subdivision questionnaire. [Business and Professions Code §11011(b)(1)]

\$ 20 Filing fee for Application to Amend Documents. [Business and Professions Code §11018.7]

\$ 10 **Interest Fees** (per lot, unit or interest; does not apply to out-of-state registrations)

Maximum Fees

- Standard Subdivision — **\$4,100** is the maximum fee for a final subdivision public report.
- Common Interest Subdivision or In-State Time-Share Filing — **\$7,600** is the maximum fee for a final subdivision public report.
- Out-of-State Time-Share Filing — **\$7,500** is the maximum fee for an out-of-state permit.

Multiple Map/Phased Project

If you are applying for an overall preliminary public report for a multiple map or phased project, all interest fees (lots/units) must be included with the (initial) basic filing fee. (Not applicable to time-share or out-of-state.)

You will only be required to pay the *basic filing fee* as you submit subsequent phases.

Payment Methods

Submit a cashier's check, money order or check payable to Department of Real Estate. Do not send cash.

Refer to Credit Card Payment (RE 909) for credit card payment information.

Attach and submit the filing fee or RE 909 with a photocopy of page 1 of the application.

HOW TO CALCULATE INITIAL FILING FEES**STANDARD SUBDIVISION**

- \$ **550** Final public report basic fee **PLUS**
- \$ **10** Per interest
- \$ **500** Additional fee for preliminary public report

Example: Standard subdivision with 120 lots

	\$ 550	Basic fee
+	\$ 1200	\$10 per interest fee
=	\$ 1750	Total <i>without</i> a preliminary public report
+	\$ 500	Preliminary public report fee
=	\$ 2250	Total <i>with</i> a preliminary public report

COMMON INTEREST SUBDIVISION OR TIME-SHARE SINGLE-SITE FILING

- \$ **1650** Final public report basic fee **PLUS**
- \$ **10** Per interest (time-share fees based on max allowable intervals per unit, i.e., biennial sales)
- \$ **500** Additional fee for preliminary public report (not available for out-of-state filings)

Example: Common interest subdivision with 60 units

	\$ 1650	Basic fee
+	\$ 600	\$10 per interest fee
=	\$ 2250	Total <i>without</i> a preliminary public report
+	\$ 500	Preliminary public report fee
=	\$ 2750	Total <i>with</i> a preliminary public report

OUT-OF-STATE TIME-SHARE MULTI-SITE FILING FEES — Based on 7/01 Fees

\$1,650	Basic fee per <i>each</i> location plus \$10 per interval. Interval fee based on maximum allowable intervals per unit, e.g. biennial sales.
\$ 550	Renewal fee
\$ 400	Amendment fee
\$ 10	Per interval when adding units to existing locations.

Maximum Fees

\$7500 *per location* per each original, amendment, or renewal application. The \$400 amendment (or \$550 renewal fee, as applicable) will be waived in the amount excess of the maximum fee.

Only one amendment/renewal fee is necessary when adding units to multiple, previously approved locations.

HOW TO CALCULATE MULTI-SITE FILING FEES — Based on 7/01 Fees

Note: Examples are based on sales of 51 weeks per year per unit.

EXAMPLE 1**Time-share filing with 3 locations**Location 1 Calculation

\$ 1,650	Basic fee
\$ 6,120	612 intervals (12 units)
<u>\$ 7,770</u>	<i>over maximum; use \$7500</i>
\$ 7,500	<i>Maximum fee</i>

Location 2 Calculation

\$ 1,650	Basic fee
\$ 1,530	153 intervals (3 units)
<u>\$ 3,180</u>	Total for location 2

Location 3 Calculation

\$ 1,650	Basic fee
\$ 5,100	510 intervals (10 units)
<u>\$ 6,750</u>	Total for location 3

Final Calculations

\$ 7,500	For location 1
\$ 3,180	For location 2
\$ 6,750	For location 3
<u>\$17,430</u>	Total fee

EXAMPLE 2**Amendment adding units to 3 existing locations and adding 1 new location.**Fees for Existing Locations

\$ 510	Addition of 51 intervals (1 unit) to location 1
\$ 3570	Addition of 357 intervals (7 units) to location 2
\$ 7,140	Addition of 714 intervals (14 units) to location 3
\$ 400	Amendment fee

Fees for New Location

\$ 1,650	Basic fee for new location
\$ 6,120	612 intervals (12 units)
<u>\$ 7,770</u>	<i>over maximum; use \$7500</i>
\$ 7,500	<i>Maximum fee</i>

Final Calculations

\$ 510	For existing location 1
\$ 3,570	For existing location 2
\$ 7,140	For existing location 3
\$ 400	Amendment fee
\$ 7,500	Maximum fee for new location
<u>\$19,120</u>	Total fee

EXAMPLE 3**Amendment adding units to 2 existing locations.**Fees for Existing Locations

\$ 7,140	Addition of 714 intervals (14 units) to location 1
\$ 8,160	Addition of 816 intervals (16 units) to location 2; <i>over maximum fee, use \$7500</i>
\$ 7,500	<i>Maximum fee for loc. 2</i>
\$ 400	<i>Amendment fee</i>

Final Calculations

\$ 7,140	For existing location 1
\$ 7,500	For existing location 2
\$ 400	Amendment fee
<u>\$15,040</u>	Total fee

PUBLICATIONS REQUEST

RE 350 (Rev. 8/01)

PUBLICATION INFORMATION — PLEASE READ BEFORE ORDERING.

Purchase Information

DRE publications may be purchased/ordered by mail, by fax, by phone, or in person. (Refer to specific payment methods below.)

For your convenience, brochures may be downloaded from our Web site at www.dre.ca.gov.

By mail — Complete Parts A, B, and C (if appropriate). Mail it with the proper fee to:

Department of Real Estate
Book Orders
P.O. Box 187006
Sacramento, CA 95818-7006

By fax — Complete Parts A, B, and C. Fax form to (916) 227-0361.

By phone — Have credit card information ready, then call Book Order desk at (916) 227-0853.

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Acceptable payment methods

- Personal check, cashier's check or money order should be made payable to: Department of Real Estate.

continued on reverse

PART A PUBLICATION ORDER

RE #	Publication Title	Price	Quantity			Your Cost
			English	Spanish	Chinese	
Law and Reference Material						
1	Reference Book	\$20.00				
2	Real Estate Law (paper version) <i>(For paper or electronic, see information on reverse.)</i>	\$20.00				
2C	Real Estate Law (CD - contains both Windows & Macintosh versions)	\$20.00				
	Real Estate Law – Paper copy AND CD (contains Windows & Macintosh)	\$35.00				
6	Disclosures in Real Property Transactions	\$10.00				
8	Operating Cost Manual For Homeowners' Associations	\$10.00				
9	Subdivision Public Report Application Guide (SPRAG)	\$10.00				
25	Reserve Study Guidelines for Homeowner Association Budgets	\$10.00				
Brochures <i>(Also available at www.dre.ca.gov)</i>						
4	Instructions to License Applicants	Free				
13	Trust Funds	Free				
34	Guide To Mobilehome Park Purchases By Residents	Free				
35	Trust Deed Investments – What You Should Know!!	Free				
35A	Using the Services of a Mortgage Broker	Free				
39	Living in a California Common Interest Development	Free				
51	A Consumer Guide to Filing Real Estate Complaints	Free				
52	Reverse Mortgages — Is one right for you?	Free				

PART B PURCHASER INFORMATION

NAME OF PURCHASER — TYPE OR PRINT CLEARLY IN INK

STREET ADDRESS OR POST OFFICE BOX

CITY STATE ZIP CODE

Subtotal _____
– Discount _____
Subtotal _____
+ CA Tax _____
(see reverse)
TOTAL \$ _____

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METHOD OF PAYMENT <input type="checkbox"/> VISA <input type="checkbox"/> MASTERCARD	ACCOUNT NUMBER	EXPIRATION DATE OF CARD	AMOUNT AUTHORIZED
SIGNATURE OF CARDHOLDER			APPROVAL # — DRE USE ONLY
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- Prices are subject to change.
- Orders received with incorrect payments will be returned.
- *All sales are final – no refunds.*
- Do not send stamps or C.O.D. orders.
- *Please allow 4 to 6 weeks for delivery.* An order for more than one item may be shipped in separate packages and delivered to you on different days.

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Mail orders originating in California and over-the-counter sales *must* include state sales tax (7.5% for mail orders). Requests and fees will be returned if the appropriate sales tax is not included.

Discounts

- A 20% discount is available on the Real Estate Law, Reference Book, and Subdivision Guides; 25 or more of a single title must be purchased at one time to qualify for the discount.
- Note that a purchase of both the paper and an electronic version of the Real Estate Law book is already discounted to \$35. There is no further discount for combination (paper and electronic) purchases in **any** quantity.

Submitting licensing forms & publication request

If you submit an order for a publication at the same time that you apply for an original license or a license renewal, please send separate checks or money orders for the license fee and publication(s) ordered.

PUBLICATION INFORMATION

#2 Law Book

The Department revises the law book *annually*, making every effort to have it available in January. In this regard, please do not send orders for the revised book until after January 1.

In addition to the paper version of the law book, the Department offers the book in an electronic version. The contents of the book are on CD (Windows & Macintosh versions on one compact disk) in a Folio VIEWS® information processing program with word search, information tagging, annotation, linking and editing capabilities.

Minimum requirements for Windows — IBM compatible personal computer; 486x or higher; 16MB available RAM; 30MB available hard disk space; mouse or compatible pointing device; color SVGA monitor (640x480, 256 color) or better; Windows 95/98/NT or higher; CD drive.

Minimum requirements for Macintosh — 16MB physical RAM; Macintosh System 7.5 or higher; 30MB available hard disk space; CD drive.

Note: Windows NT and 2000. You must have at least “Power User” rights on your machine to install. If you are unsure of the rights assigned to your login, please contact your network administrator or user manual.

#8 Operating Cost Manual For Homeowners' Associations

A manual designed to aid a budget preparer in the development of a budget for a common interest subdivision.

#9 Subdivision Public Report Application Guide (SPRAG)

A guide designed specifically to assist an applicant for a subdivision public report in the completion and submission of a Notice of Intention (Common Interest) [RE 624] or Notice of Intention (Standard) [RE 628]. This guide provides item-by-item instruction and explanation.

#25 Reserve Study Guidelines for Homeowner Association Budgets

Guidelines designed to assist with preparation of a budget reserve study for a common interest subdivision. RE 25 will help homeowner association officers and members understand how reserves fit into the overall financial plan for the subdivision. Proper attention to the reserve portion of the budget should assist in the allocation of sufficient funds for future replacement of common area components, including major items such as roofs and exterior paint.

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Department of Real Estate
Attn: Publications Deputy
P.O. Box 187000
Sacramento, CA 95818-7000



COMMONLY USED DRE FORMS

✓ = forms revised between 11/00 and 7/01

<i>Form No.</i>	<i>Current Date</i>	<i>Recently Revised</i>	<i>Title of Subdivision Form</i>	<i>Form No.</i>	<i>Current Date</i>	<i>Recently Revised</i>	<i>Title of Subdivision Form</i>
350	4/01		Publications Request	608D	1/97		Consent to Service of Process (Public Report, Permit or Registration – LLC)
600	2/99		Surety Bond [§11013.2/.4]	609	12/87		Instructions to Escrow (Promotional Gifts)
600A	2/99		Blanket Surety Bond [§11013.2/.4]	610	5/01	✓	Management Document Approval Request (B&P §11010.10)
600B	3/99		Purchase Money (§11010.4)	610B	10/00		Certification of Approved Management Documents
600C	7/98		Purchase Money Handling (Supplemental Questionnaire)	611	2/99		Bond (Completion of Common Facilities)
600G	3/99		Purchase Money Security Information	611A	7/00		Planned Construction Statement
600H	3/99		Purchase Money Security Declaration & Instructions to Security Depository – §11013.2	611B	3/89		Notice To Escrow Depository (Reg. 2792.4)
600I	3/99		Set-Aside Letter (B&P §11013.2 and/or .4)	611C	7/00		Subdivider Statement [Common Area Completion §11018.5(a)]
600J	3/99		Irrevocable Standby Letter of Credit	611D	1/97		Irrevocable Standby Letter of Credit [B&P §11018.5(a)(2)]
601	3/99		Preliminary Public Report Application Instructions (Mobilehome Park Resident Ownership Program)	612	10/95		Reservation Instrument
601A	1/97		Preliminary Public Report Application Submittal (Mobilehome Park Resident Ownership Program)	612A	10/95		Reservation Deposit Handling Agreement
601B	9/99		Preliminary Public Report Application (Mobilehome Park Resident Ownership Program)	613	5/98		Common Area Completion Security Agreement and Instructions to Escrow Depository [§11018.5(a)(2)]
603	3/99		Preliminary Public Report – Application Instructions	615	2/99		Rescission Rights (Time Share)
603A	7/96		Preliminary Public Report – Application Submittal	615B	2/99		Rescission Rights (Undivided Interest Subdivision)
603B	9/99		Preliminary Public Report Application	616	7/98		Master Management Document Information
603C	3/99		Preliminary Public Report – Common Interest Subdivision	616A	5/97		Master Management Document Application
603D	3/99		Preliminary Public Report – Standard Subdivision	616B	7/98		Declaration of Approved MMD's Final Subdivision Public Report – Amendment [<i>industry prepared</i>]
605	7/01	✓	Subdivision Filing Fees	618G	12/99		Natural Hazards (Supplemental Questionnaire)
608	2/96		Consent to Service of Process (Public Report, Permit or Registration – Individual)	619	2/00		Escrow Instructions [§11018.5(a)]
608A	2/96		Consent to Service of Process (Public Report, Permit or Registration – Partnership)	621A	1/97		Supplemental Instructions [§11018.5(a)]
608B	2/96		Consent to Service of Process (Public Report, Permit or Registration – Corporation)	621B	7/00		Completion Arrangement Information
608C	2/99		Consent to Service of Process (Out-of-State Trustee)	623	2/00		Budget Worksheet
				624	11/00		Notice of Intention (Common Interest)
				624A	10/97		HOA Common Facilities
				624C	3/89		Special District and Special Assessment District

<i>Form No.</i>	<i>Current Date</i>	<i>Recently Revised</i>	<i>Title of Subdivision Form</i>	<i>Form No.</i>	<i>Current Date</i>	<i>Recently Revised</i>	<i>Title of Subdivision Form</i>
624E	6/87		Master Planned Community Information	643L	1/97		Irrevocable Standby Letter of Credit (Reg. 2792.10)
625	1/97		Change in Escrow Depository	643M	2/97		Unconditional Release Covenant
626C	1/97		Out-of-State Subdivision Registration Information	646	1/97		Common Interest Subdivision General Information
626D	6/89		Trustee/Escrow Depository Agreement (Out-of-State)	646A	3/90		General Information (Time Share Subdivision)
627	6/99		Notice of Intention [§11010(c)]	648	7/99		Regulation Check Sheet [RE 624 & 658 Filings]
627A	6/99		Community Apt. & Stock Co-op Conversion Guidelines	648A	7/99		Regulation Check Sheet (Time-Share)
628	11/00		Notice of Intention (Standard)	656A	10/93		Out-of-State Subdivision Agreement
629	1/97		Sample of Set-Aside Letter [§11018.5(a)(2)]	658	9/99		Notice of Intention (Stock Co-op/ LEHC)
631	11/98		Guidelines for Subdivision Advertising	662	1/93		Exemption Request [§11003.4(b)]
631A	2/96		Gift Inventory Statement	668	3/01	✓	Time-Share Application
633	1/97		Application to Amend Documents [§11018.7]	668A	3/01	✓	Notice of Intention (Time-Share)
635	11/00		Amendment/Renewal Application	676	12/31/84		Notice of Intention to Sell Undivided Interest
635A	9/99		Expedited Amendment Application	679	5/72		Declaration of Prospective Undivided Interest Owner
635B	8/00		Amendment Application [Reg. 2790.2(c)]	680	6/89		Exemption Request [§11000.1(b)(2)]
635C	3/01	✓	Amendment/Renewal Application (Time-Share)	681	9/99		Budget Review Request
637	3/99		Exemption Request (§11010.5)	684A	4/95		Certification (Approved Budget)
639	7/95		Supplemental Questionnaire (Common Interest Subdivision Conversions)	688	5/98		Set-Aside Letter [Reg. 2792.10]
643	5/98		Assessment Security Agreement and Instructions to Escrow Depository [Reg. 2792.9]	688A	5/98		Set-Aside Letter [Reg. 2792.9]
643B	12/90		Instructions to Escrow Depository (Start-up Funds)	695	6/98		Electronic Forms Information
643C	2/00		Assessment Security Agreement & Instructions to Escrow Depository - Reg. 2812.3	695C	7/99		Subdivision Forms Request
643D	2/00		Subsidy Security Agreement & Instructions to Escrow Depository [Reg. 2812.4]	699	5/95		Certification (Subsequent Phases of a Phased Project)
643E	5/98		Subsidy Security Agreement and Instructions to Escrow Depository [Reg. 2792.10]	699A	3/99		Certification (Totally Complete Filing – Standard)
643F	6/88		Sample Letter of Credit (VA Start-Up)	699B	9/00		Certification (Mutual Water Co.)
643G	6/87		Agreement and Escrow Instructions (Letter of Credit – VA Start-Up)	699C	3/99		Certification (Totally Complete Filing – Common Interest)
643I	1/97		Irrevocable Standby Letter of Credit				
643J	1/97		Surety Bond (Regulation 2792.9)				
643K	1/97		Surety Bond (Regulation 2792.10)				

SUBDIVISION FORMS REQUEST

RE 695C (Rev. 7/99)

INSTRUCTIONS

To order subdivision forms, complete and return this form to one of the addresses listed below.

Mail to:

Department of Real Estate
Subdivisions – North
P.O. Box 187005
Sacramento, CA 95818-7005

Department of Real Estate
Subdivisions – South
320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105

Note:

- *Please enclose a preprinted address label with your request.*
- You will receive one copy of each requested form by mail. You may reproduce additional copies on paper of comparable quality and similar color provided you do not alter the forms in any way.

Subdivision Packets <i>(Check one or more)</i>	Individual Subdivision Forms <i>(one each)</i>			
<input type="checkbox"/> Preliminary	RE _____	RE _____	RE _____	RE _____
<input type="checkbox"/> Standard	RE _____	RE _____	RE _____	RE _____
<input type="checkbox"/> Common Interest	RE _____	RE _____	RE _____	RE _____
<input type="checkbox"/> Amendment/Renewal	RE _____	RE _____	RE _____	RE _____
<input type="checkbox"/> Stock Cooperative/Limited Equity Housing Cooperative	RE _____	RE _____	RE _____	RE _____
<input type="checkbox"/> Time Share (in-state and out-of-state)	RE _____	RE _____	RE _____	RE _____
<input type="checkbox"/> Time Share - Amendment/Renewal (in-state and out-of-state)	RE _____	RE _____	RE _____	RE _____
<input type="checkbox"/> Undivided Interest	RE _____	RE _____	RE _____	RE _____
<input type="checkbox"/> Out-of-state Registration (covers all except time-shares)	RE _____	RE _____	RE _____	RE _____
	RE _____	RE _____	RE _____	RE _____

REQUESTOR'S STATEMENT

I understand that I may reproduce additional copies on paper of comparable quality and similar color so long as the forms are not altered in any way.

SIGNATURE OF REQUESTOR »	DATE
NAME OF REQUESTOR (PRINT OR TYPE)	TITLE OF REQUESTOR
COMPANY NAME	TELEPHONE NUMBER (INCLUDE AREA CODE)
MAILING ADDRESS (STREET ADDRESS OR P.O. BOX, CITY, STATE, AND ZIP CODE)	

Commonly Used Form Packets

Preliminary Public Report Packet

Includes: 603, 603A, 603B, 603C, 603D, 605, 612, 612A, 695C, 909

Common Interest Packet

Includes: 350, 603, 603A, 603B, 603C, 605, 611, 611A, 611B, 612, 612A, 619, 623, 624, 624A, 639, 643, 648, 681, 684A, 695C, 699, 699C, 909

Standard Packet

Includes: 350, 603, 603A, 603B, 603D, 605, 612, 612A, 619, 628, 695C, 699A, 909

In-State Amendment/Renewal Packet (non time-share)

Includes: 350, 600C, 605, 619, 635, 635A, 643, 695C, 909

Out-of-State Registration Packet (in- and out-of-state)

Includes: 608, 608A, 608B, 608C, 608D, 626C

Completion of Common Facilities Packet

Includes: 611, 611A, 611B, 611C, 611D

Completion Arrangements Packet (in-state)

Includes: 621, 621A, 621B

Time-Share Packet (in- & out-of-state)

Includes: 350, 605, 608, 608A, 608B, 608C, 608D, 609, 611, 611A, 611B, 611C, 611D, 613, 619, 623, 624A, 626D, 629, 631, 639, 643C, 648A, 656A, 668, 668A, 681, 695C, 909



Department of Real Estate
Subdivisions
P.O. Box 187005
Sacramento, California 95818-7005