

Assembly Bill No. 1658

Passed the Assembly May 14, 1998

Chief Clerk of the Assembly

Passed the Senate July 2, 1998

Secretary of the Senate

This bill was received by the Governor this ____ day
of _____, 1998, at ____ o'clock __M.

Private Secretary of the Governor



CHAPTER ____

An act to amend Sections 10234.5 and 10236.4 of the Business and Professions Code, relating to real estate, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1658, Leach. Real estate.

Existing law imposes various requirements when a real estate broker places a loan. Among other things, existing law provides that a broker shall deliver conformed copies of any deed of trust to both the investor or lender and the borrower within a reasonable amount of time from the date of recording.

This bill would permit the real estate broker to cause these documents to be delivered.

Existing law requires real estate brokers to include their license number and the telephone number of the Department of Real Estate in all advertisements where there is a solicitation of borrowers or potential investors. Existing law also requires the real estate broker to additionally disclose both the license number and license information telephone number whenever a borrower or investor signs any documents related to a loan negotiated by the broker.

This bill would delete the additional requirement of disclosure upon signing documents, and would instead require certain disclosure statements to include the licensee's license number and the department's license information telephone number.

The bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 10234.5 of the Business and Professions Code is amended to read:



10234.5. In addition to the requirements of Section 10234, in the placing of any loan, a broker shall deliver or cause to be delivered conformed copies of any deed of trust to both the investor or lender and the borrower within a reasonable amount of time from the date of recording.

SEC. 2. Section 10236.4 of the Business and Professions Code is amended to read:

10236.4. (a) In compliance with Section 10235.5, every licensed real estate broker shall also display his or her license number on all advertisements where there is a solicitation for borrowers or potential investors. In addition, the broker shall disclose in any such advertisement the license information telephone number established by the department.

(b) The disclosures required by Sections 10232.4 and 10240 shall include the licensee's license number and the department's license information telephone number.

(c) This section shall become operative July 1, 1998.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The delivery of residential mortgage loans would be negatively affected if this bill does not take effect immediately.



Approved _____, 1998

Governor

