Third Supplement to Memorandum 88-59

Subject: Topics and Priorities for 1989 and Thereafter (Priorities)

Attached to this memorandum is a letter from P. Bogart of Western Land Bank, Inc., suggesting a revision of Business and Professions Code Section 110000 relating to real estate subdivisions. His concern is that the Business and Professions Code provisions governing regulation of subdivided lands should not be applied to subdivisions made before enactment of the provisions, since this results in payment of "yet another fee (and untold delays) before lots in an existing subdivision could be marketed."

The Commission has authority to study real property matters, including laws affecting title and use restrictions. However, the staff recommends against Commission involvement in this issue. It is primarily a political and regulatory concern. The matter appears to be within the jurisdiction of the Department of Real Estate, and the staff would refer P. Bogart to that department.

Respectfully submitted,

Nathaniel Sterling Assistant Executive Secretary

Admin. 3rd Supp. to Memo 88-59 Jestern Land Bank inc.

Main office (213) 465-6211 (714) 739-8137 (408) 292-5263 or 292-LAND

CL LAW REV. COMM'N

AUG 2 6 1988

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MINIMINI HARBOTHERTO, 1110.

(415) 956-5263 or 956-LAND

6253 Hollywood Blvd., Hollywood, CA 90028

August 23, 1988

California Law Revision Commission 4000 Middlefield Rd Suite D-2 Palo Alto CA 94303-4739

Re: Marketable title of real property.

Gentlemen:

Your efforts relating to facilitating marketable title are well appreciated and are helpful. We do suggest, however, that an additional technical correction is desirable, as current law has led to much confusion.

We refer to the first clause of B&PC 11000:

11000. Subdivided lands; subdivision.

"Subdivided lands" and "subdivision refer to improved or unimproved land or lands divided or proposed to be divided for the purpose of sale or lease or financing, whether immediate or future, into five or more lots or parcels. ***

We suggest eliminating the misleading words "divided or proposed" as misleading - as this would infer an existing subdivision, which was established or "divided" in the remote past.

Thus, while the statute in Government Code \$66412.6, dealing with subdivisions, makes it a conclusive presumption that subdivided lots created prior to 1972 are legally created and legally subdivided, no such provision exists in the Business & Professions Code which deals with the same subdivision issue. Unfortunately, the Gov't Code \$ 66412.6 provision limits its application to "this division" of the code.

Another clarifying technical amendment that would be helpful would be to strike "this-division" from Gov't Code 8 66412.6

Although we believe that existing subdivisions are "grandfathered" and protected by the XIVth Amendment and CAlifornia Constitution Art I S 1 - see also <u>City of Memphis v. Greene(1981) 451 US 100,</u> 101 S.Ct. 1584, 67 L.Ed2d 769 (Civil Rights Act of 1871, 42 USC 1981 et seq. guarantees the right to sell, hold and convey realty) -Chapman v. State (1957) 153 CA2d 421, 314 P2d 773 disregarded all vested constitutional rights and used the ambiguous language of "lands .divided or proposed to be divided" to charge yet another fee (and untold delays) before lots in an existing subdivision could be marketed. In fact, if a home is built on 5 abutting lots, which are legally divided, it would be unsalable until the owner would once more pay for a subdivision report (\$1600. fee +++)

without doing any "subdividing" at all.

We submit that <u>B&PC</u> **S** 11000 casts a serious cloud on title to all existing subdivisions if one person or entity would come into possession of 5 or more lots in the same subdivision. And while it is claimed that the subdivision laws are to "protect the people", we find thatour laws treat some sellers of subdivided lots as "more equal than others".

We refer to <u>Business & Professions Code</u> \$ 11010.6, which exempts all public agencies from the subdivisions report requirements alleged to "protect the public". For instance, the enclosed Notice of Sale from Modoc County contains more than 35 subdivided lots in the California Pines subdivision (Assessor's Books 035, 036 and 037). Certainly, these subdivided lots require the subdivisions report of B&PC 11000 et seq. And if a private developer would acquire and offer to sell more than 5 of these lots, then under the ambiguous language of <u>B&PC 11000</u> he might be required to pay once more for "subdividing" the already legally subdivided lots.

(As a result of this fear, the majority of the 78 items offered by Modoc County were not picked up by private parties, leaving the County "stuck" with thousands of dollars of uncollectible property taxes)

With ever-increasing concerns for "affordable housing", the great costs of governmental permits are one of the prime obstacles to providing shelter at a reasonable cost. As government seeks to increase the "take" from taxpayers, the unreasonable repetitious "subdividing" charges should not be sanctioned by ambiguous language in the laws.

Thanks for your attention.

Sincerely yours.

P. BOGART

Legal Motices

				_			
		LEGAL NOTICE		item No.	Parcel No.	Last Assesses	Mindaga Bid
				10.	813-195-05-11	Modoc Recreational Est.	\$1000.00
PUBLIC AUCTION					e'e Scott, J.H./Smith, Wm. D.		
NOTICE OF SALE ON AUG. 23, 1988			17.	913-196-06-11	Modec Recreational Est. c/o Scott, J.H./Smith, Wm. D.	61000,00	
OF TAX-DEFAULTED PROPERTY			IØ.	013-196-07-11	Modoc Recreational Est.	\$1000.00	
		-	TI	19.	013-202-06-11	Thole, Carl J.	09.00018
	FURD	ELINQUENT TAXES		20.	018-240-43-11	c/o Stearna, Mrs. Violet Chealey, Robert R.	85000.00
m# .		1888 1 4		21.	018-240-44-11	Chesley, Robert R.	85000.00
		. 1988 I was directed by the Board ty. State of California, and there we		22.	018-240-60-11	Gienerakis, Robert M. & Adele M. JT	46000.00
by me and filed in my office an authorization of the State Controller.				23.	018-291-14-11	Loveness Logging, Inc.	85000.00
dated June 8, 1988, to sell at public auction certain tax-defaulted properties which are subject to the power of sale, public notice is				24.	018-471-10-11	Nelson, Alice C. & Irona, Frances E.	81000.00
hereby given that unless said properties are redeemed before the close of business on the last husiness day prior to the date the sale				26.	016-471-11-11	Nelson, Alice C. &	\$1000.00
begins, I will, commencing on August 23, 1998 and continuing from				26. 27.	018-471-52-11	Irone, Frances E. Boyle, Dennis & Sybii	81500.00
day to	day to day thereafter as necessary, at the hour of 10 o'clock a.m. in Room 101, Courthouse, in the City of Alturas, in the County of Modoc,				026-280-02-11	Smith, Margaret M. Commerce Dev. Co/Brennan, J.	85500,00
Califo	rnia, or II the so	id properties at public auction, to t	he bighest	28.	035-021-07-11	Addington, Mariana T.	\$2500.00
		ful numey of the United States or n the minimum bid set forth in this)		30.	036-033-05-11 038-035-04-11	Segure, Gary L. Calif. Pines Rec. Est.	\$2250.00 \$2250.00
			``			e/o Grossman, Sheile C.	
4674	of the California	esoki, parties of interest, as defined a Revenue and Taxation Code, bave	a right to	<u>.31.</u>	035-035-15-11	Merriam, Charles & Therese c/o Diane Belcheff	81250.00
		wanty for any proceeds from the sale		32.	035-063-11-11	Young, Tupolo A. &	62500.0Q
proces	rda. Il excens p	proceeds result from the sale, not	ice will be	33.	636-111-07-11	Anita J. JT Selacup, Pedro L. &	\$2500.00
given	to parties of int	erest, pursuant to law.		34.	035-121-01-11	Edna M. JT Peterson, Anne J. &	\$2250.00
		property is not made according to	Law before			Spangrud, Glenn & Pamela JT	
the pr	uperty is sold, ti	he right of redemption will cease.		36.	035-161-26-11	Noggle, L.C./Hazel c/o Hasel Hutchinson	12250.00
		under penalty of perjury that the fo	iti galogene	36.	035-232-12-11	Leisure Industries, Inc.	\$2250.00
Crue in	nd correct.	Linda D	ee Mouroe	37.	035-263-03-11	cro Bilteau, Charles L. Flores, Akz G. & Carman JT	\$2378.00
Farm	ited at Alturas,	Modor County Tax			035-361-13-11	Leisure Industries, Inc. c/o Mesdows, Donald/Linds	82500.00
	c County on July			39.	035-361-14-11	Leisure Industries, Inc.	\$2500.00
	BARCEL NUS	IBERING SYSTEM EXPLANATI	ΛN	40.	035-402-01-11	e'o Meedows, Donald & Linda Rico, Bill & Jeanne	82500.00
_				41.	038-032-16-11	Jones, Mary Jo	\$1750.00
The extra ide	Appeaux's Par-	rei Number, when used to describe p assessor's map book, the map page	roperty in	42	036-045-06-11	Leisure Industries, Inc. c/o Avalos, John G.	81750.00
on the	map, if applical	ble, and to the individual parcel num	ber on the	43.	036-061-04-11	Leirure Industries, Inc.	#1750.00
inap p	age or in the blo	VIII.		44.	036-054-01-11	cío Christansen, Donnis Malnas, Ramon C.	\$1750.00
Ap	ircel number, su	ch as 46-523-13-21, is analyzed as fo	llows:	46.	038-071-09-11	Jones, Mary Jo & Lester F. JT	81750.00 81750.00
		bunk number, 523 would be the ma		46. 47.	036-083-08-11 036-152-22-11	Meler, Albert & Mary Y. JT Rudkin, Roger Lee & Alia JT	\$2500,00
		3' were a "0", that page would not reel number, and 2 is a coded auf		48.	038-192-35-11	Garay, Carmen & Tellez, Porficio	82125.00
		ting the interest beld in parcel 13.	utht All rese	49.	036-261-04-11	Hawthorns, Jos L. 4	\$2500.00
The	multiped mond i	n conjunction with the parcel num	her ave as	50.	036-271-14-11	Zella Ann JT Gercia, Jesus U. & Margarita	92500.00
follow		. sould the tree and beauty when	~~ ~~ ~~	51.	038-281-13-11	Rumecy, Frances J.	\$2500.00
-111	Total ownership	of interest and rights		P	037-091-07-11	Hults, Raymond D./Clerence E. Quimby, Lerry	\$2500.00
-21	Multiple owners	hip		43.	057-091-08-11	Leisure Industries, Inc.	\$2500.00
-311	Multiple owners	-nib		54.	037-091-29-11	cio Hulte, L. Duene Leisure Industries, Inc.	\$2500.00
The		to are available for inspection in th	e office of			tic Crawford, Lyle R. Miller, Daniel	\$2000.00
ice es	DEN SOF			55.	037-103-22-11	c'o Miller, Sharon E.	92000.00
4 1.	B 1 Danson	ships to all a multiply of this Matthe to	حا الموديدين	56.	037-123-06-11	Nendine, Henry R. & Naonil L. JT	\$2500.00
		that is the subject of this Notice is on. State of California, and is de		57.	037-265-03-33	Jones, Betty S.	\$2500.00
follor	rd:			58. 59.	037-352-17-11 037-361-48-11	Rogars, Kent C. & Nadsen V. JT Cutier, Harold & Dorina JT	\$2500.00 \$2500.00
Item			<u> </u>			s/o Schoder, M.W.	
No.	Parcel No.	Last Assesser	Bid	60. 4 61.	037-404-14-11 037-401-33-11	Cordonist, Darrell E. & Jerry K. Downs, Richard B.	\$2500.00 \$2500,00
Į.	005-405-06-11	Hoideman, Gerald & Lina JT	\$1000.00	••	037-461-51-11 037-473-18-11	Ditto, Barry R. O'Dell, Dorothy	\$2500.00 \$2500.00
1.	013-052-15-11	Calla, Peter S. & Buth McNeil, Butchia Rath	\$500,00	63. 64.	037-481-34-11	Leisura Industries, Inc.	\$2500.00
-3. € 1 .	013-053-06-11	Taylor, William R. & Jytte E. JT Gonzales, Dolores B.	8500.00 8500.00	6 5.	037-513-54-11	cio Jones, H. Reliogg, Welter L.	\$2500.00
6.	013-054-27-11	Gunzales, Dolores B.	8800.00	66.	038-082-08-11	Pendleton, DeWitt M.	\$2500.00
6. 7.	013-063-01-11 013-062-12-11	Inskeep, Darreli K. & Carolya JT Wielenga, Henry K. 1/2	\$500.00 \$1250.00	- i ^{07.}	038-131-20-11	Krocker, Charles Dennis & Lyune Carol JT	\$2500.00
		Redstrom, Evelyn K. 1/2	\$876.00	68.	£38 -132-46-11	Ortiz, Victor M. Rey &	\$2500.00
B. D.	013 195 04 11 013 113 00 11	Horber, Maryanne D. McEuen, Ora A.	\$1075.00	69.	039-202-04-11	Hernandez, Samuel Jt Seiber, Jane E. Joseph F.	63803.00
10.	013-126-01-11	Co Vivian Van Floet Gage, Jo Ann	\$875.00	70. 7L	039-212-01-11 940-121-10-11	Stocki, Glenn D. Anderson, William E. &	\$3529.00 \$2221.00
11	013 134 24 11	Esquivel, John	\$625.00			Bestrice A. JT	
12.	013-185-04-11	c/o Rodrigues, Yolanda Austin, Joe L.	\$T00.00	72.	040-171-24-11	Kinge Bay Escrew Co. de Kaufman & Broad	62231.00
		Austin, Margaret Ann	-	73.	041-083-05-11	Nakemura, Ikuo & Yoko JT	\$2250.00
13.	013-187-01-11	Austin, Margaret Ann Austin, Joe L.	8700.00	74.	041-881-04-11 041-881-05-11	Nelson, Ronald M.F. & Violet JT Nelson, Ronald M.F. & Violet JT	\$2125.00 \$2125.00
14.	013-165-06-11	Austin, Margaret Ann	8100.00	76.	041-581-06-11	Nelson, Ronnid M.F. & Violet JT	62125.00
16.	013-165-09-11	Austin, Jee L. Austin, Jue L.	\$700.00	77. 76.	041-551-07-11 041-651-08-11	Nelson, Ronald M.F. & Violet JT Nelson, Ronald M.P. & Violet JY	\$2126.00 \$2125.00
	·-	Austin, Maryaret Ann					
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