

Oregon Real Estate News-Journal

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Acting Commissioner
Dean Owens

Social Media, Craigslist, Websites, Emails . . .

When Advertising Online, Know All the Requirements

Dean Owens, Acting Real Estate Commissioner

Most licensees use electronic or online advertising for at least part of their professional real estate activity, which includes property management. Make sure you know the requirements before you send that email, tweet that tweet, or publish that blog post.

What is Online Advertising

Any form of electronic media or communication used to market your business, listings, or rentals, not limited to the internet, web pages, blogs, bulletin boards, and email, is considered online advertising.

The Administrative Rule

[Oregon Administrative Rule \(OAR\) 863-015-0125](#) applies to advertising and advertisements by real estate licensees related to professional real estate activity. This includes all forms of representation, promotion, and solicitation.

Online advertising must comply with all of OAR 863-015-0125, but section (9) of the rule gives additional requirements that apply specifically to online advertising.

Requirements for All Advertising, Including Online

Be Truthful

All your real estate and property management advertising, including online advertising, must be truthful.

Don't mislead or deceive.

Make sure you represent your license type, qualifications, and position in your real estate or property management company accurately. (If you don't run the place,

*Please see **Online Advertising** on page 4*



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Board Re-Elects Farley as Chair, Hunter as Vice-Chair



Jef Farley

The Oregon Real Estate Board re-elected James E. "Jef" Farley as Chairperson and Lawnae Hunter as Vice-Chairperson for 2019.

Mr. Farley is co-owner of Coldwell Banker Whitney and Associates in Pendleton. He specializes in residential and commercial real estate sales in Eastern Oregon. He has been a full-time real estate professional since 1991 starting with The Lutz Snyder Co. in the Portland metro area. He moved back to his hometown of Pendleton in 1994 for the lifestyle rural Oregon offers.

He graduated in 1988 from the University of Montana with a BS in finance with a real estate emphasis. He is the 2018 president of the Umatilla County Board of Realtors® and served as president of that board in 1996, 2002, and 2006. He was Realtor® of the Year in 1999. He is active in his community as a member of Rotary and a co-founder of the non-profit "Wheatstock," a music festival in Helix, Oregon, that raises funds for the Helix school music program and veterans.

Mr. Farley and his wife Sarah enjoy traveling, the great outdoors, and having fun with family and friends. He is also a lover of music,

demonstrated by his songwriting and playing with his band.

Lawnae Hunter is principal broker and owner of PLUS Property Management, serving Central Oregon and California's Central Coast.

Her real estate career started in California in 1968 at the age of 19. She has over 35 years of experience in general real estate brokerage, including land development, commercial and industrial land sales, new construction, property management and general resale. Ms. Hunter earned the Certified Real Estate Brokerage Manager (CRB), Certified Residential Specialist (CRS), and Graduate, Realtor® Institute (GRI) designations.

She founded Prudential Hunter Realty, which was the largest regional real estate company on the California Central Coast. She sold the company in 2003 and relocated to Oregon. She still holds her California broker license.

Because of her interest in economics and finance, Ms. Hunter founded the Central Oregon Economic Forecast in 2008, which joins with the Center for Economic Forecasting at California Lutheran University in presenting a yearly economic forecast for the region. She currently serves as a board member for Co-Serve International, and is an active member of the Greater Bend Rotary. Ms. Hunter holds an honorary doctorate degree from Kazakh-American Free University. ■



Lawnae Hunter

Next Board Meeting in Salem

[Check Agency website for location.](#)

Monday, February 4, 10:00 a.m.

- Open to the public.
- Meet Real Estate Board members and Oregon Real Estate Agency staff.
- Learn how the Real Estate Board works.

Views from the Board

Think Before You Click: Real Estate Wire Transfer Fraud Crimes Are on the Rise

Patricia Ihnat, Oregon Real Estate Board Member

An Oregon couple purchasing their dream home in 2018 fell prey to scammers in an increasingly common wire-transfer scheme targeting real estate transactions. The hacker in this case gained access to an email conversation among the buyers, their real estate broker, and the title/escrow company handling the transaction. Posing as the broker, the hacker emailed authentic-seeming instructions to the buyers, who dutifully wired \$379,000 to the bad guys' account. With that, the buyers' money was gone.

Real-estate imposter fraud is on the rise. According to the FBI, nearly \$1 billion was diverted or attempted to be diverted from real estate purchase transactions in 2017. From 2015 to 2017, reported fraud victims from real estate transactions increased by more than 1100 percent, and reported monetary losses increased by almost 2200 percent.

Unfortunately, attempts at these crimes are not slowing. Reports of attempts at wire-transfer crimes in which buyers and sellers are the targets of spoofed emails containing fraudulent wire instructions are on the rise. More attempts result in more success by the fraudsters and more losses often involving a victim's life savings.

At risk are real estate brokers, loan officers, mortgage brokers, transaction coordinators, buyers and sellers, escrow officers, and attorneys involved in real estate transactions. In short, anybody who participates in a real estate transaction can be a target.

In our experience, a scheme typically starts when a fraudster uses malware or successfully "phishes" for a means of getting into victims' computer or email systems, or when a fraudster gains access through the victim's use of an unsecure Wi-Fi network. Once access is obtained, the bad guys send spoofed emails that include virus-bearing internet links or attachments, and that seem legitimate to the recipient. Or, the bad guys intercept and send emails directly from within the

phish victim's compromised email account. If a target takes the bait and clicks on a link, opens an attachment, or hits reply to an email, the scammer gains entry often without the target's knowledge.

The fraudster then monitors emails and devises a scheme for intervening in the transaction by spoofing the email account of a person related to the transaction, as in the example with the Oregon couple. Fraudsters are patient — they monitor a target's email account, review emails in sent and trash folders, check social media posts, find patterns, and wait for the opportunity to complete the crime. Spoofed emails containing fraudulent wire instructions often look legitimate — with business logos, correct names, contact details, and loan numbers. Spoofed emails often contain content that is conversational and sounds like the purported sender. Even a phone number might be provided to confirm the wire-instruction change, though that phone number routes the target victim to the scammer and is part of the fraud.

Common indicators you may be a target of this cyber-crime include:

- Emails requesting changes to wiring information, such as a change in the beneficiary or the receiving bank.
 - Emails with attachments purporting to be "secure" or "encrypted."
 - Emails purporting to be confidential.
 - Emails with instructions requiring the recipient to act quickly.
 - Emails indicating sudden changes in the business practices of a person involved in the transaction, including refusal to speak via telephone, a direction to use a new telephone number, or a direction to use a new email address.
 - Emails that contain markedly different
- Please see **Think Before You Click** on page 5*



Patricia Ihnat

"Views from the Board" features the opinions of Real Estate Board members. The views expressed are not necessarily those of the *Oregon Real Estate News-Journal*, the Oregon Real Estate Agency or Agency staff.

Only Email Reminders for RBN Renewals in 2019, Beyond

In 2018, the Oregon Real Estate Agency sent letters and emails to all responsible individuals of registered business names (RBNs) to remind them of the new required RBN renewals. For those RBNs that were close to expiration, Agency staff called the responsible individuals to remind them of the deadline because of the significant consequences of not renewing in time.

Starting in 2019, the letters and phone calls will end. **The Agency will continue to send email reminders.**

The Agency expects responsible individuals for all RBNs to have access to their respective email accounts to receive email reminders.

If you are a responsible individual for an

RBN, and you have a concern about receiving RBN renewal reminders by email, we suggest that you:

- Log in to the RBN's [eLicense](#) account.
 - Check that your email address is correct.
 - Make note of the renewal date and set a reminder on your smart phone, computer, or calendar.
- Log in to your email account and add "noreply_rea@rea.state.or.us" to your safe sender list.

Registered business names must be renewed with the Agency annually. This is separate from the business renewal required by the Secretary of State Corporation Division. ■

Online Advertising

Continued from page 1

don't make it sound like you do.)

Get Permission

No matter how you are advertising a specific property, you must have the permission of the property owner or owner's authorized agent before advertising it.

Use the Registered Business Name

The name of the company you work under, as it is registered with the Agency, must be prominently displayed, immediately noticeable, and conspicuous in all your advertising, including online advertising.

Submit Ads to Principal Brokers

If you are a broker, or a property manager associated with a principal broker, you must submit all advertising, including online advertising, to your principal broker for review and approval.

The broker or property manager is responsible for keeping a record of approval for each advertisement, which must be available to the Agency upon request.

Specific Requirements for Online Advertising

Use Licensed Name

The first and last name that you are licensed under must be on the first page of all electronic advertising. You can use a common derivative of the first name that you are licensed under.

Say You Are an Oregon Licensee

All advertising you publish online must have a statement on the first page that you are licensed in the state of Oregon. ■

Are You Getting Emails from the Agency?

Make sure you receive all notifications from the Agency. Log in to your [eLicense](#) account today to confirm that your email address is correct.

Think Before You Click

Continued from page 3

grammar, sentence structure or spelling compared to previous emails from a person involved in the transaction.

Education, awareness, and understanding of how these schemes operate is the best defense against giving a fraudster the opportunity for your client to become a victim, or becoming a victim yourself. Let your clients know they will receive wire instructions only from the title/escrow company, and not from you or any other party. Let your clients know they will not receive wire instructions from the title/escrow company through regular email. Don't use regular email to forward attachments you originally received through the title/escrow company's encrypted secure email system. Caution your clients to avoid using regular email to forward attachments they originally received through a secure email system. Take steps to limit the opportunity for fraudsters to intervene in your transactions.

Educate your clients about wire fraud risks. Early in a transaction and outside of the email environment, you can protect yourself and your clients by establishing trusted telephone numbers or passphrases to verify transaction details. Remind your clients that wiring instructions never will be sent to them from you. Inform your clients to use the pre-established trusted phone number and/or passphrase and verbally verify any instructions purporting to be sent by you. Remind your clients to use a trusted and verified phone number to confirm any instructions that appear to be sent by the title/escrow company.

Be proactive by working with information technology and cybersecurity professionals to ensure that email accounts, online systems, and business practices are as secure and current as possible.

And always remember these basic rules:

- Use two-factor authentication for email accounts.
 - Select complex passwords that employ a combination of mixed case, numbers, and symbols.
 - Never send sensitive or confidential information via standard email.
- Avoid connecting to free Wi-Fi, and change your settings to avoid automatic connections to available Wi-Fi.
 - Immediately delete unsolicited email from unknown parties.
 - Never open suspicious emails, click on links in the email, or open attachments. If you do, report immediately to your cybersecurity professionals, and contact your clients outside of the email environment.
 - Regularly purge your email so fraudsters cannot review old emails to gather information.

If you suspect an email is spoofed, one way to test it is to hover your cursor over the "From" or "Sender" line in the email heading. A window showing the sender's email address will pop up, which you should check carefully. Often fraudsters create email addresses that differ from participants' legitimate email addresses by just one letter or number, or by inserting a period/dot or an underscore.

Be careful of what is posted on your social media sites and websites, especially job duties and descriptions, and out-of-office details. These are the types of details that could be a roadmap for fraudsters as they devise strategy for targeting victims and transactions.

Always remind your clients: **Inquire before you wire!**

As for the Oregon couple tricked into sending \$379,000 to scammers, *The Oregonian* reported they eventually recovered most of their money because the bank where the fraudsters established an account was notified quickly and froze the account.

Many victims aren't so lucky.

Patricia Ihnat is a public member of the Oregon Real Estate Board. She is an attorney and serves as Oregon underwriting counsel for Fidelity National Title, a national title insurer and escrow settlement provider. Ms. Ihnat has been with Fidelity for 25 years in various positions as a litigator, claims manager, and underwriter.



Special to the Oregon Real Estate News-Journal

What You Should Know About Elder Abuse

Nelsa Brodie, Aging & People with Disabilities Program, Adult Protective Services

Each year in Oregon, Department of Human Services and our partners receive thousands of reports of abuse and exploitation of vulnerable older adults. Financial exploitation, which can leave its victim penniless, and physical abuse are the most substantiated forms of abuse we have seen in recent years.

For those in the real estate profession, the most common type of abuse you may encounter is financial exploitation. These issues primarily involve family and family dynamics and commonly include trusts, quit claim deeds and power of attorney abuse. For example, in Eastern and Southern Oregon where there are still large parcels of land that are owned by (and have been owned by) the same family name for hundreds of years. Sometimes you have a victim who might have capacity issues and they sign over a quit claim deed for thousands of acres for \$1. Or perhaps family dynamics where you have multiple trustees and one starts selling property that lies within the trust.

Adult Protective Services (APS) has also, unfortunately, seen real estate brokers being perpetrators of abuse. Being alert to potential abuse by understanding the signs, is always very helpful. APS had a recent case in Southern Oregon where the victim (who was recently widowed) had contacted a real estate agent about selling her large parcel of property because she wanted to move closer to her daughter. The agent came back the next day to buy the property

for themselves at 1/10th of the price. They also brought along with them someone who does “estate sales” to try and “help her” with selling some of her belongings for the move. Turned out they were working with each other. Sadly, while not common, these are not isolated incidents.

Older adults and people with disabilities who are abused often suffer in silence. They are too ashamed or embarrassed to admit the abuse. Frequently, their abuser is someone they know and trust, such as a spouse, partner, family member or caregiver.

The abuse of elders and people with disabilities affects individuals from all walks of life, men as well as women, and those older adults who experience dementia or poor memory.

The State of Oregon has set up a toll-free confidential abuse hotline where you can report abuse from anywhere in the state: 1-855-503-SAFE (7233). Everyone has a shared responsibility in preventing and reporting abuse of vulnerable adults!

Learn more about types of abuse and warning signs at our website:

<https://www.oregon.gov/DHS/SENIORS-DISABILITIES/ADULT-ABUSE/Pages/index.aspx>

If you would like us to do a presentation in your local community on elder abuse, please contact: Nelsa Brodie, Nelsa.Brodie@dhsosha.state.or.us and I will be happy to set up something for you! ■

Report Elder Abuse

(855) 503-7233

Toll-free and confidential

Administrative Actions

The Oregon Real Estate Agency is required by law to publish disciplinary actions. The final order for each action can be viewed by clicking on the individual names listed below.

Please note that there are individuals with real estate licenses that may have similar or the same names as those listed below, even in the same market area. If you are in doubt if an individual listed here is someone you know or with whom you are working, please contact the Agency for verification.

Stipulated settlements do not necessarily reflect all the factual violations initially alleged by the Agency. Sanctions may have been adjusted as part of the negotiation process. Such settlement may not, therefore, directly compare in severity/sanction with other cases.

REVOCAATION

October 22, 2018.

[Turner, John Douglas](#) (Portland) Principal Broker. Stipulated final order dated October 12, 2018

[Gist, Jason](#) (Grants Pass) Property Manager 201211947. Default final order dated

REPRIMAND

[Smith, Simon G.](#) (Eugene) Principal Broker 940200151. Stipulated order dated November 27, 2018. ■

Tales from the Complaint Desk

Liz Hayes, Administrative Specialist, Oregon Real Estate Agency

Complaint: “The Listing Agent didn’t present my offer. They didn’t even send back a signed rejection by the seller.”

Question: As the listing agent, must you present every offer, even if you already have an accepted offer, to your seller?

Answer: Yes! As the listing agent, per [Oregon Revised Statute 696.805\(2\)\(b\)](#), you must present all written offers, written notices, and other written communications to and from the parties involved in a timely manner without regard to whether the property is already party to a contract to purchase.

But, did you also know that you must maintain written record of the date and time of each written offer or counter offer delivered and of the seller’s or buyer’s response?

If the seller rejects the offer or counter-offer, the licensee must provide a true copy to the buyer, per [Oregon Administrative Rule 863-015-0135\(3\)](#).

Question: What if there is an accepted of-

fer and the seller absolutely won’t look at another offer or sign a rejection?

Answer: Your life would be so much easier if sellers would just do what you ask of them, right? Sometimes, your attempts to present an offer after an executed agreement may be ignored. If you are unable to obtain a written response from your seller, you should keep documentation of your efforts and notify the buyer of such.

Bottom line:

- Present all offers by phone, in person, by email, or by aerial banner.*
- Record the date and time of delivery. Use the last page of the sales agreement, a dirty napkin, or even the back of your gas receipt.
- Keep proof of delivery documentation in your working file.
- Provide a true copy of the response to the buyer.

*The Agency does not encourage presenting offers by aerial banner. ■

FHFA, GSEs Launch Translated Resources for Limited English Speakers

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The Oregon Real Estate News-Journal is published by the Oregon Real Estate Agency as an educational service to all real estate licensees in the state under the provisions of Section 696.445 of the Oregon Revised Statutes.

Mesheal Heyman, Editor

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The Federal Housing Finance Agency (FHFA) and government-sponsored enterprises (GSEs) Fannie Mae and Freddie Mac recently announced the launch of [Mortgage Translations](#), a centralized online clearinghouse of resources to assist lenders, servicers, housing counselors, and other real estate professionals in serving limited English proficient (LEP) borrowers.

The Mortgage Translations clearinghouse launch is one of the first "milestones" in the multi-year plan of the FHFA/GSEs to improve the ability of "mortgage-ready [LEP] borrowers to understand and participate in all facets of the mortgage life cycle." The resource was created in collaboration with industry, consumer, and government partners and contains resources such as translated documents and borrower education materials.

The FHFA said in its announcement that the first phase of the launch consists of Spanish-language documents, noting that "According to the U.S. Census, persons who speak Spanish as their primary language comprise more than 60 percent of the LEP population in the U.S." The FHFA also said, "LEP borrowers make up a growing share of today's mortgage market—a trend that is likely to continue in the coming decades—and lenders and other mortgage market participants are in need of tools to help them serve these consumers." In the coming years, the FHFA plans to add Mortgage Translations resources in four other languages commonly spoken in LEP households: Chinese, Vietnamese, Korean, and Tagalog.

So far, the clearinghouse features English- and Spanish-language versions of frequently used documents such as Fannie Mae and Freddie Mac Uniform Residential Loan Application forms, the GSEs' Mortgage Assistance Application(s) for those facing mortgage payment challenges, and the federal Consumer Financial Protection Bureau's (CFPB)* Your Home Loan Toolkit, which helps consumers to understand matters

such as the steps to getting a mortgage, closing costs, and how to become a successful homeowner.

In addition, the Mortgage Translations clearinghouse contains items such as English- and Spanish-language versions of the CFPB's "Know Before You Owe" Loan Estimate and Closing Disclosure forms (also known as the TILA-RESPA Integrated Disclosures, or "TRID" forms) and extensive explanatory materials that were developed for their use. The resource also contains hundreds of state-specific Fannie Mae, Freddie Mac and other government-related mortgage loan documents such as security instruments (e.g., deeds of trust), promissory notes, and more. The clearinghouse also contains translations of numerous GSE/CFPB and other consumer-oriented publications touching on a multitude of real estate and mortgage transaction topics such as building credit, the mortgage and home-buying processes, identifying mortgage fraud, and avoiding foreclosures, to name just a few.

Mortgage Translations also features a new online Spanish-English glossary that provides hundreds of translated real estate/mortgage terms, which the FHFA expects to be particularly helpful in standardizing translations across the mortgage industry.

The FHFA was established by the Housing and Economic Recovery Act of 2008 (HERA) and is responsible for the effective supervision, regulation, and housing mission oversight of the GSEs and the Federal Home Loan Bank system. Since 2008, the FHFA has also served as conservator of the GSEs, which support the U.S. housing finance market by purchasing, guaranteeing, and securitizing single-family mortgages.

* The CFPB recently took to referring to itself as the "Bureau of Consumer Financial Protection," which it says is more consistent with its enabling legislation -- the federal Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 -- Ed. ■