

Oregon Real Estate News-Journal

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NEW RULES IN EFFECT

Scott W. Taylor, Real Estate Commissioner

As of this writing the Real Estate Agency has promulgated three temporary rules in response to House Bill 2604 (Chapter 393 Oregon Laws 2005). The full text of these temporary rules can be found on our website at www.rea.state.or.us. The Agency is in the process of receiving and reviewing additional input, and expects to issue permanent rules soon.

OAR 863-015-0186

The first rule has to do with the distribution of disputed funds from a broker's clients' trust account. The rule provides an additional option for brokers to employ when they encounter a situation where parties cannot agree to the distribution of funds held in the clients' trust account.

In short, the rule provides:

The broker must receive a written demand for disbursement of the funds. As soon as practicable after receipt of the demand, the broker must notify all parties to the contract of the demand.

If a party to the contract disputes the demand for disbursement, the broker **MAY** disburse the funds to the person who delivered the funds **within 20 days following the date of the de-**

mand if the broker provides written notice to the parties containing the following information:

1. A party to the contract has made written demand on the funds and the broker may disburse the funds to the person who delivered the funds within 20 days following the date of the demand;

"The full text of these temporary rules can be found on our website at www.rea.state.or.us."

2. The parties may wish to seek legal advice;

3. If a written agreement is reached before the broker disburses the funds, the broker will disburse according to the terms of the agreement;

4. The broker has no legal authority to resolve questions of law or fact in the matter;

5. If a party files a legal claim to the funds and provides proof of the claim to the broker before the funds are disbursed, the broker is not required to disburse the funds;

6. The disbursement of the funds to the person who delivered the funds ends the broker's responsibility for the funds, but does not affect the parties' claim to the funds.

This rule does not affect the broker's ability to file an action to interplead the funds, disburse the funds according to the terms of the contract, by law, under the provisions of real estate license law or administrative rules, or ORS 105 as it relates to the seller's disclosure form.

The steps outlined in the rule must be followed only if a broker chooses to use this optional process. The rule does not require a broker to use this process.

The broker may disburse the funds according to the rule at any time within 20 days following written demand, provided the broker has met the notice requirements of the rule.

The Agency hopes this rule will encourage brokers to use their own trust accounts for holding various client funds. The Agency also notes that while it understands this statute was intended to address earnest money deposits, primarily, the wording of the statute is such that it encompasses

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all funds on deposit in brokers' clients' trust accounts. However, because the process is optional, brokers are not required to use the process where they deem it inappropriate. The Real Estate Agency intends to introduce clarifying legislation in the 2007 legislative session.

OAR 863-015-0225

The second temporary rule describes the procedures the Real Estate Agency uses to investigate complaints against real estate licensees.

The first step requires a review by an Agency manager to determine, based upon the information provided, whether there are reasonable

grounds to believe the real estate license law has been violated if the information provided is true.

If the answer to this review is yes, an investigation will be initiated.

The investigator will gather the relevant facts in an objective, impartial and unbiased manner, including facts which may be mitigating or exculpatory.

If a licensee fails or refuses to cooperate in an investigation, the investigator will promptly notify the Commissioner or Agency manager.

Interviews may be recorded if consent is given.

The investigator may not communicate with a licensee or a member of the public about the findings of the investigation, whether a violation may have occurred, or whether the Agency will take action against the licensee.

Investigators shall not solicit complaints against any licensee.

The scope of an investigation will be limited to the conduct or transaction that is the subject of the complaint, unless there are reasonable grounds to believe that additional violations may have occurred. Only the Commissioner or manager can authorize expanding the scope of an investigation.

Investigation reports will be written in an objective manner and will not contain any conclusions of violation or recommendation for discipline.

The manager will review the report and the file and determine whether the evidence supports charging a violation of the Real Estate License Law or rules and regulations.

progressive discipline is to correct inappropriate behavior, deter a repeat of the conduct, and educate the licensee to improve compliance with the law.

The rule also provides that the Agency may issue a letter of concern (formerly called an advisory letter) when the licensee's conduct is of concern but does not warrant disciplinary action under ORS 696.301. The letter will be expunged from the Agency's records after six years.

The rule sets out the factors the Agency may use in determining whether to discipline under ORS 696.301. These are: The nature of the violation; the harm caused, if any; whether the conduct was inadvertent or intentional; the licensee's experience and education; whether the licensee's conduct is substantially similar to conduct for an act for which the licensee was disciplined previously; any mitigating or aggravating circumstances; the licensee's cooperation with the investigation; any Agency hearing orders addressing similar circumstances; and the licensee's volume of transactions.

Finally, the rule limits the sanctions of suspension or revocation to instances where the licensee has violated ORS 696.301 and also meets the requirements of ORS 696.396(2)(c).

The requirements of ORS 696.396(2)(c) are: The act results in significant damage or injury; exhibits incompetence in the performance of professional real estate activity; exhibits dishonesty or fraudulent conduct; or repeats conduct or an act substantially similar to conduct or an act for which the real estate licensee was disciplined previously.

These temporary rules are the result of an extensive outreach, which included public sessions held throughout the state. The Agency hopes the latter two temporary rules will help licensees better understand the complaint assessment, investigation and discipline processes.

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OAR 863-015-0230

The third temporary rule describes how licensees may be disciplined, including a procedure for progressive discipline.

Progressive discipline is the process taken by the Agency, which may include increasingly severe steps or measures if a licensee fails to correct behavior or exhibits subsequences of inappropriate behavior. The goal of

COURSE REQUIRED FOR NEW AND RELICENSED BROKERS

You must complete an Agency-approved Advanced Real Estate Practices course (AP) if you:

- received your very first Oregon real estate license after July 1, 2002; or
- let a previous Oregon license expire (or otherwise lapse) and obtained a new broker license after July 1, 2002.

The AP course is a specific 30-hour course that must be completed before your first active license renewal. Your first license is valid from the date of issue for one year and then onto the last day of the month of your birthday. This means your first renewal date may be less than 13 months after obtaining your license. For example,

if your first license was issued in October 2005, and your birthday is in November, your license would renew November 30, 2006.

If your license is inactive at the time of renewal, you do not need to take the AP course until you reactivate your license.

Principal brokers, sole practitioner brokers and property managers are not required to take the AP course.

Although the AP course requirement is separate from continuing education requirements, a principal broker may let affiliated brokers use the AP course to meet the continuing education requirements.

If you do not know if you need

to take the AP course, please contact the Agency at (503) 378-4170.



When an affiliated broker completes the AP course, the course certificate must be given to their principal broker. The principal broker signs the licensee's re-

newal form stating that the course has been completed, and then keeps the certificate for six years as required by ORS 696.280(2) and (3).

A list of Approved Pre-License and Post-License Real Estate Education course providers can be obtained from the Agency's website at www.rea.state.or.us, or by calling the Agency at (503) 378-4170.

WELL IDENTIFICATION PROGRAM REQUIREMENT CHANGE

Editor's Note: This article is printed in cooperation with the State of Oregon Water Resources Department's Well Identification Program.

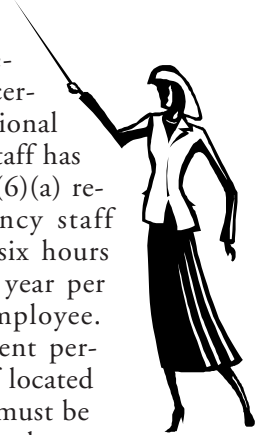
Effective January 1, 2006, individuals selling or purchasing property in Oregon where the source of water is a well are no longer required to record the Well I.D. Tag number on property deed records. The 2005 Legislature passed House Bill 2083, repealing ORS 537.788 and eliminating the requirement.

Landowners will still be required to obtain a Well I.D. Tag for the well(s) if one has not been assigned. Well I.D. applications are available on the Department's website at www.wrd.state.or.us, or by contacting Janet Halladey of the Water Resources Department.

For more information, contact
**Janet Halladey of the
 Water Resources Department**
Phone: (503) 986-0854
Fax: (503) 986-0902
Email:
Janet.L.Halladey@wrdd.state.or.us

ESCROW LICENSEES CONTINUING EDUCATION

The deadline for escrow license renewals is June 30, 2006. The renewal process includes certification that the educational requirement for escrow staff has been met. ORS 696.511(6)(a) requires that escrow agency staff complete an average of six hours or more of training per year per permanent, full-time employee. The education requirement pertains only to escrow staff located in Oregon. The training must be in subjects that bear directly on the administration of escrows.



The type and method of education is left to the discretion of the escrow licensee. The Agency cannot specify topics, adopt rules, waive requirements, or approve classes. Please contact the Education Section at (503) 378-4170, extension 251 or 260, for more information.

PROPERTY MANAGEMENT RULES, A SUMMARY

The Agency writes administrative rules to clarify the application and administration of Oregon Revised Statute Chapter 696, Real Estate License Law. These rules are in Chapter 863 of the Oregon Administrative Rules (OAR). It is important that licensees have a clear understanding of the rules in order to comply with the law.

Education is one of the ways the Agency strives to help licensees achieve compliance. To that end we

have prepared the following summary of OAR Chapter 863 Division 25 covering Property Management to quickly answer common questions as well as point licensees to the relevant parts of Division 25. The numbers in parentheses identify the section covering that specific topic.

It is not meant to be all encompassing or to relieve licensees of the need to be familiar with the full text and meaning of the laws and rules.

The entire text of the statutes and rules which apply to real estate professionals licensed in Oregon can be accessed through the Agency website at: http://www.oregon.gov/REAL_adminrules.shtml.

We hope this is helpful. As always, please feel free to contact the Regulation Division at (503) 378-4170, extension 258, with any question you may have.



AGENCY RELATIONSHIPS & WRITTEN COMPANY POLICY OAR 863-025-0015

A Property Manager owes an Owner the following affirmative duties:

- To exercise reasonable care and diligence (1)(a)
- To deal honestly and in good faith (1)(b)
- To account in a timely manner for funds received or disbursed (1)(c)
- Be loyal to Owner, not taking action adverse or detrimental to owners interest (1)(d)
- Disclose in writing, in a timely manner, to owner use of employees or a business in which the Property Manager has a pecuniary interest, and uses to perform work on the Owner's managed property (1)(e)
- Use reasonable efforts to keep "confidential" financial information about the Owner, except under subpoena or court order, required by applicable law, or permitted by Owner, even after termination of management agreement (1)(f)

A Property Manager shall develop and maintain a written company policy, to include the following:

- Identify duties and responsibilities of Property Manager, other licensees and any other employees of the Property Manager (2)(a)
- Provisions to document any written authorizations allowed under OAR 863-025-0020 or OAR 863-025-0045 (2)(b)
- Provisions to protect and keep confidential Owner's financial information (2)(c)
- Provisions regarding supervision of employees and contractors (2)(d) and
- Provisions regarding the production and maintenance of all reports, records and document required under this section (2)(e)

PROPERTY MANAGEMENT AGREEMENT OAR 863-025-0020

A Property Manager shall not engage in property management activity for any real estate without a prior, written, dated and signed property management agreement with the Owner, or Owner's agent, of the real estate. The property management agreement shall:

- Fully specify duties of the Property Manager and the Owner. Also specify the authority and powers given by the Owner to the Property Manager under the agreement (1)(a)
- Identify period of the agreement and method for terminating the agreement (1)(a)
- The terms and conditions of the agreement (1)(b)
- Identify all forms of the Property Manager's compensation (1)(c)

- Describe disposition of required records of property management for the Owner after compliance with OAR 863-025-0070 (1)(d)
- Assign an identifying number or code (1)(g)
- In this or subsequent documents the Property Manager shall disclose in writing and in a timely manner to the Owner any use of employees, or a business in which the Property Manager has a pecuniary interest, to perform work on the Owner's managed property pursuant to 863-025-0015(1)(e)
- A copy of the Property Management Agreement must be maintained pursuant to ORS 696.280 and OAR 863-025-0035. A legible copy of the fully executed agreement shall be promptly delivered to the Property Owner. (2)

RECEIPTS AND DISBURSEMENT JOURNAL

OAR 863-025-0040

- Maintain and record, at least monthly, a chronological journal or check register for each Client Trust Account, including details for each receipt and disbursement of Client Trust Account funds. (1)
- Each entry for receipt or disbursement is to be identified by the applicable Owner's identifying code. (2)
 - For each receipt / deposit of funds, record; Date (2)(a); Amount (2)(b); From who (2)(b), Journal balance after posting. (2)(g).
 - For each disbursement of funds, record; Date (2)(c), Check Number (2)(d), Amount (2)(e), Payee (2)(e), Journal balance after posting. (2)(g)
- Property Manager required to maintain a running chronological ledger balance for each Client Trust Account, updated at the time of each entry (2)(g).
 - May choose not to post balance on an individual entry basis but aggregate balance total on a daily basis but must maintain a supplemental report providing required detail of receipts and disbursements as otherwise required and make this available for review upon request. (4)
- Upon any financial activity during a reporting period, the Property Manager must post the Journal or check Register and each Owner's ledger account showing all receipts and disbursements made by the property manager for an owner since the last posting of the record, register or account. (3)
- Property Manager to retain all paid bills and receipts explaining the amount of and purpose for the receipt or disbursement entered in the record of receipts and disbursements. (5)

TENANT AGREEMENTS

OAR 863-025-0045

- Tenant agreements must be written and contain the following information:
 - Licensed name and business address of the Property Manager. (1)(a)
 - Name of the licensee executing the agreement on the part of the Property Manager. (1)(a)
 - Name and address of Tenant. (1)(a)
 - Mailing address, unit number or identifying designation of property being rented. (1)(b)
 - Term of rental or lease. (1)(b)
 - Amount and reason for all funds paid by the Tenant, e.g., rent, prepaid rent, conditionally refundable deposits, fees, or charges. (1)(c)
- The Property Manager is to file and maintain legible copies of each tenant's rental or lease agreement for the records retention period pursuant to OAR 863-015-0260.

TENANT'S LEDGER

OAR 863-025-0050

- Maintain a separate ledger for each Tenant or individual from whom funds have been received under a property management agreement. The ledger shall be identified by mailing address of rental unit, or applicable unit number or designation. (1)
- Shall post the Tenant Ledger with an entry for each receipt and disbursement of the tenant's conditionally refundable funds. (4)
 - Each entry or receipt shall include; Amount of and designation for funds received, Date Received, Cash Receipt Number for Cash Funds received (4)
 - Each entry for Disbursement shall include; Date of disbursement, Payee of check, Check number, Amount of disbursement (4)
- The total balance of all security deposits in individual ledgers shall be used in monthly reconciliation of the Security Deposits Client Trust Account, see OAR 863-025-0025(6)
- May maintain a ledger to record all receipts of funds from prospective tenants who are not yet tenants, and whose funds are not for a particular unit, and who have not become tenants as a result of the payment (5)

OWNER'S LEDGER

OAR 863-025-0055

- Property Manager shall prepare and maintain at least one separate Owner's Ledger for each Property Management Agreement, for all monies received and disbursed (1)
- Each Owner Ledger will be identified with the same identification code as the corresponding Property Management Agreement with the owner and each entry shall set forth the following information (2):
 - Date of receipt and disbursement of any funds made

PROPERTY MANAGEMENT: continued on page 6

PROPERTY MANAGEMENT: *continued from page 5*

- in accordance with the property management agreement (2)(a)
- The date of deposit of funds (2)(b)
- The amount of funds deposited and from whom received (2)(c)
- Date of each related disbursement (2)(d)
- Client Trust Account check number used for the disbursement (2)(e)
- Amount of funds disbursed with identification of the payee (2)(f)
- Post the revised ledger balance following each entry (2)(h)
- The Property Manager shall report in writing to each Owner any change in the Owner's ledger, a monthly report, showing all receipts and disbursements for the account of the Owner during the prior monthly period (3)
- Property Manager shall retain all paid bills and receipts explaining the amount and purpose for the receipt or disbursement (4)

CASH RECEIPTS

OAR 863-025-0060

- Must prepare a legible written receipt for any cash funds received under a property management agreement
 - Receipts must be consecutively pre-numbered in duplicate form
- Each receipt shall contain:
 - Date cash received
 - Amount of cash received
 - Reason for payment of funds received
 - Identifying code of the receiving Owner's ledger
 - Name of Tenant making payment and Unit identified
 - Name of person receiving the cash
- A copy of the receipt shall be maintained in the Property Manager's records

**THANK YOU FOR YOUR PATIENCE...**

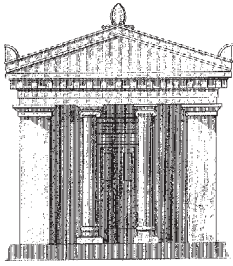
The Agency is improving its services to licensees: it has upgraded its database, which will eventually permit online renewals. The new database affects much of what the Agency does. The change has temporarily increased the Agency's workload, caused some delays in processing transactions, and suspended the online licensee search function.

We want to thank you for your patience, and assure you that transactions are effective the date the complete paperwork and fees are received in the Agency's office. We are able to provide confirmation by phone or e-mail that a transaction is complete, if needed, but we request only one person call or e-mail the Agency per transaction.

You can reach License Section staff at (503) 378-4170, selection 2, or e-mail your question to orea.info@state.or.us.

ADMINISTRATIVE ACTIONS

December 1, 2005 through January 31, 2006



The Agency is required by Oregon Real Estate License Law to publish disciplinary actions. A list of those actions, a brief description of the situation, and the

grounds for the Commissioner's action follows. Please note there are 60 days after the order date to file an appeal, and some of the orders listed may be within that appeal period. Please also note, there are individuals with real estate licenses that may have similar or the same names as those listed herein, or even work in the same market area. If you are in doubt if an individual listed here is someone you know or with whom you are dealing, please contact the Agency for verification.

Finally, please note that stipulated settlements do not necessarily reflect all the factual violations initially alleged by the Agency, and the sanction(s) may have been adjusted as part of the negotiation process. Such settlements may not, therefore, directly compare in severity/sanction with other cases.

REVOCATIONS

Duckett, Terry J. (McMinnville)
Principal Broker #781200206
Stipulated Order of Revocation dated December 20, 2005, effective December 20, 2005. Duckett surrendered his real estate license on September 12, 2005. The Agency investigated Duckett regarding his licensed real estate activity under two investigation files. Duckett stipulated that the Agency has substantial evidence in its files to support, after hearing, findings of fact and conclusions of law that would result in the revocation of Duckett's real estate broker's license.

Violation: ORS 696.301

SUSPENSIONS

Lantz, Kimberly Anne (Canby)
Broker #200405223
Stipulated Order dated December

1, 2005 resulting in a 60 day suspension effective December 9, 2005. Seller D filed a complaint with the Agency alleging that Lantz drafted a document without the knowledge of her principal broker. Seller D alleged that the document in question caused her to lose an interest in title to property. Lantz's neighbor was in the process of dividing her property so a portion could be sold. Lantz approached her neighbor, Seller D, stating Lantz had an interested buyer. Seller D indicated that the property division needed to be completed before the property could be sold. Lantz prepared an offer for Buyer H to purchase the property. Three out of four documents prepared for the purchase state that Lantz was acting as the buyer's broker. However, the seller's counter offer stated that Lantz was both the listing licensee and selling licensee. Seller D believed Lantz was representing both parties and Lantz's course of conduct indicated the same. Buyer H's offer was accepted by Seller D and the closing date was subsequently extended to allow for time to complete the survey. Buyer H then requested that the transaction close earlier so the interest rate lock would not be lost. In an effort to accommodate both Buyer H and Seller D, Lantz proposed an agreement be drawn up between the parties which would protect Seller D's interest in the remaining parcel. Seller D believed that Lantz's principal broker would be involved in drafting the document; however Lantz discussed the agreement with the Buyer's mortgage broker and escrow closer to determine what type of language should be used in the agreement. Lantz prepared the agreement without her principal broker's knowledge and did not provide her principal broker with a copy. The agreement was not re-

corded as there were no instructions to do so, and the Buyers obtained title to the entire parcel instead of the parcel they were buying, and the entire parcel became encumbered by the Buyer's mortgage.

Violations: ORS 696.805(3)(a)(c), and OAR 863-015-0255(2)

REPRIMANDS

Chesnut, Tamara L. (Eugene)
Broker #200201097
Stipulated order dated January 18, 2006. Buyer submitted a complaint to the Agency regarding Chesnut and bare land that Chesnut had listed, and in which Chesnut represented Buyer through a Disclosed Limited Agency agreement. Buyer complained that Chesnut misrepresented that utilities were available at the building lot and that the sewer connection was at the lower portion of the lot when in fact they were not. Chesnut listed a vacant lot in Springfield which was owned by her step-father. The utilities section of the MLS information indicated only water. The seller's disclosure indicated that the property had public sewer service available and the public sewer line was located at the street. Although the sewer information was not contained in the MLS information, Chesnut was aware of it at the time of listing. Chesnut moved her license to a new brokerage and her step-father relisted the property with Chesnut's new brokerage. Neither the new listing nor the MLS data input form addressed any utilities being available at the lot location. However, the MLS Ad data sheet identified by the new brokerage as the original listing print out, indicates that utilities available at the lot were cable TV, phone, power, sewer and water. Buyer relied on the representations in the MLS printouts provided to him by Chesnut as material to his

determining to purchase the property and also influenced him regarding what he was willing to pay for the property. Chesnut repeatedly informed buyer that all named utilities were available at the lot.

Violations ORS 696.301(6); and ORS 696.810(3)(a)

Risner, Grover W. (Midland) Broker #940900203
Stipulated order dated December 2, 2005. Seller S alleged that she was convinced to take useless barter credits for the sale of her property by both the listing and selling licensees. Risner was the designated broker for both the listing and selling licensees in the transaction involving Seller S. Risner's licensees were promoting a program that used barter credits in the purchase of properties. The barter credits were being used for earnest money as well as the full amount of the purchase price. Although Risner was aware that at least two of his licensees were putting together transactions using barter credits, Risner did not require his licensees to turn in documents of agreement to Risner for review. In three cases, barter credits were used as earnest money and Risner did not follow through to ensure that the barter credits were actually collected in the transactions.

Violations: ORS 696.301(29); and ORS 696.815(2)(b)(c)

Tadei, Peter L. (Astoria) Broker #851200175
Stipulated order dated January 18, 2006 issuing a reprimand and \$2,500 civil penalty. Tadei's real estate license expired on February 28, 2003. Tadei was licensed in the capacity of a sole practitioner. Tadei did not renew his license until July 18, 2003. While Tadei's license was not active, he engaged in professional real estate activity in three transactions. In response to the Agency's letter to Tadei asking if he had conducted any professional real estate activity while his license was

expired, Tadei wrote a letter to the Agency stating that he had not conducted any professional real estate activity.

Violations: OAR 863-015-0050(2); and ORS 696.301(28)

CIVIL PENALTIES

Altamirano, Mickey (Eugene) Broker #200107071

Stipulated order dated January 12, 2006 levying a \$100 civil penalty. Altamirano failed to renew her real estate license for a period of time while continuing to conduct professional real estate activity.

Violation: OAR 863-15-0050(2).

Benham, Jacqueline K. (Eugene) Broker #950800117

Stipulated order dated December 22, 2005 levying a \$100 civil penalty. Benham failed to renew her real estate license for a period of time while continuing to conduct professional real estate activity.

Violation: OAR 863-15-0050(2).

Crouser, Dean L. (Portland) Broker #930900020

Stipulated order dated January 12, 2006 levying a \$100 civil penalty. Crouser failed to renew his real estate license for a period of time while continuing to conduct professional real estate activity.

Violation: OAR 863-15-0050(2).

Ellis, Jeffrey P. (Portland) Broker #200106062

Stipulated order dated January 12, 2006 levying a \$100 civil penalty. Ellis failed to renew his real estate license for a period of time while continuing to conduct professional real estate activity.

Violation: OAR 863-15-0050(2).

Feliu, Tanya Marie (Portland) Broker #200402128

Stipulated order dated January 19, 2006 levying a \$600 civil penalty.

Feliu failed to renew her real estate license for a period of time while continuing to conduct professional real estate activity.

Violation: OAR 863-15-0050(2).

Hight, Vivien A. (Redmond) Broker #990300277

Stipulated order dated January 13, 2006 levying a \$3,600 civil penalty. Hight failed to renew her real estate license for a period of time while continuing to conduct professional real estate activity.

Violation: OAR 863-15-0050(2).

Jackson, Joni K. (Beaverton) Broker #950600214

Stipulated order dated January 6, 2006 levying a \$100 civil penalty. Jackson failed to renew her real estate license for a period of time while continuing to conduct professional real estate activity.

Violation: OAR 863-15-0050(2).

LandAmerica Lawyers Title (Portland) Escrow Agent #200008033

Stipulated order dated January 6, 2006 levying a \$1,000 civil penalty. LandAmerica closed an escrow on August 13, 2004. There were some changes and corrections made to the settlement statement and the form was marked "estimated", which the buyers received at the time of closing. The final settlement statement showing the corrections made was not provided to the buyers until September 16, 2004, a month after the transaction closed.

Violation: OAR 863-050-0025.

Meirndorf, Judy K. (Winston) Broker #200203107

Stipulated order dated December 27, 2005 levying a \$100 civil penalty. Meirndorf failed to renew her real estate license for a period of time while continuing to conduct

ADMINISTRATIVE ACTIONS: *continued on page 10*

ADMINISTRATIVE ACTIONS: *continued from page 9*
 professional real estate activity.
 Violation: OAR 863-15-0050(2).

Michels-Alt, Jordana R. (Sandy) Broker #200111007
 Stipulated order dated January 12, 2006 levying a \$100 civil penalty. Michels-Alt failed to renew her real estate license for a period of time while continuing to conduct professional real estate activity.
 Violation: OAR 863-15-0050(2).

Solomon, Joanne M. (Eugene) Broker #860300247
 Stipulated order dated January 10, 2006 levying a \$100 civil penalty. Solomon failed to renew her real estate license for a period of time while continuing to conduct professional real estate activity.
 Violation: OAR 863-15-0050(2).

Sutton, Ronald T. (Portland) Broker #200002184
 Stipulated order dated January 25, 2006 levying a \$600 civil penalty. Sutton failed to renew his real estate license for a period of time while continuing to conduct pro-

fessional real estate activity.
 Violation: OAR 863-15-0050(2).

Tarr, Ruth N. (Portland) Broker #200203405
 Stipulated order dated January 25, 2006 levying a \$600 civil penalty. Tarr failed to renew her real estate license for a period of time while continuing to conduct professional real estate activity.
 Violation: OAR 863-15-0050(2).

Thompson, Samuel (Portland) Broker #200201082
 Stipulated order dated December 16, 2005 levying a \$100 civil penalty. Thompson failed to renew his real estate license for a period of time while continuing to conduct professional real estate activity.
 Violation: OAR 863-15-0050(2).

WestStar Loan Servicing Corp. (Portland) Escrow Agent #931100029
 Stipulated order dated January 4, 2006 levying a \$1,500 civil penalty. As the result of a routine audit, it was discovered that WestStar had deposited \$40,000 of its own

funds into the client trust account for the purpose of protecting it against a shortage created by checks that are dishonored after WestStar has made disbursement on them. WestStar processes only collection escrows. To eliminate the need to deposit its own funds in the client trust account, WestStar opened a separate bank account with its own funds to use as an overdraft account to protect any shortages to the trust account.
 Violation: ORS 696.579(2)

Wilson, Molly M. (Beaverton) Broker #200308255
 Stipulated order dated January 4, 2006 levying a \$100 civil penalty. Wilson failed to renew her real estate license for a period of time while continuing to conduct professional real estate activity.
 Violation: OAR 863-15-0050(2).

OTHER

Jared, Steven Thomas (Portland) Broker #200508181
 Stipulated order dated December 21, 2005. Jared failed to make a full disclosure regarding issues appearing on his driving record.
 Violation: ORS 696.022(5)

BOARD MEETING TO BE HELD IN PORTLAND

The next regularly scheduled Real Estate Board meeting will be held in Portland on Monday, April 17. The Portland location was not yet determined at the time of printing. Meeting location and additional information will be posted on the Real Estate Agency's website at www.rea.state.or.us as soon as it's available. Board meetings are open to the public.

The Real Estate Board, consisting of seven industry members and two public members, meets six times a year. Board members are appointed by the Governor for four-year terms. Board duties include providing advice to the Real Estate Commissioner

and the Governor's office regarding real estate industry matters, reviewing proposed rulemaking, approving experience waiver requests of real estate licensing applicants, and oversee-

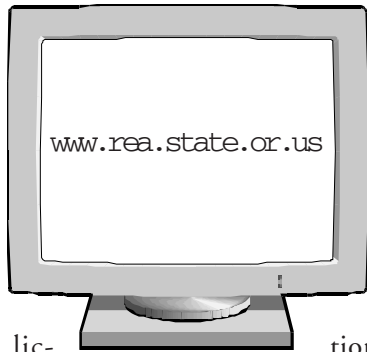
ing the license examination process. Please contact the Agency at (503) 378-4170, extension 260 or 251 if you have any questions.

CURRENT REAL ESTATE BOARD MEMBERS		
Michael Graper, Chairperson	Portland	Windermere/Cronin & Caplan
Troy Costales	Salem	Public Member
Victor Kee	Astoria	Pete Anderson Realty
Arthur Kegler	Boardman	American West Properties
Robert LaDu	Portland	Re/Max Equity Group, Inc.
Maxine Ribera-Card	Bend	COLM Commercial Real Estate Services
Vada Salinas	Salem	Public Member
Marianne Wood	Eugene	Prudential Real Estate Professionals
John Zupan	Medford	Windermere VanVleet & Associates

INFORMATION AVAILABLE ON AGENCY'S WEBSITE

Licenses looking for information about real estate license law can start by visiting the Agency's website at *www.rea.state.or.us*.

From the home page, under "Current Topics", visitors can link to the new temporary administrative rules, the OREN-J archives, an explanation of the computer-based testing process, and information on the educational requirements for new licensees.



The main "Menu" on the left side of the home page provides links to:

- information about the Agency;
- real estate-oriented statutes and rules;
- FAQs (frequently asked questions) in the areas of licensing, regulation and consumer information;

and
 • downloadable publications and forms.

(Due to an ongoing upgrade of the Real Estate Agency's database, the online licensee and business search functions are currently unavailable.)

The dark gray "Divisions" box above the scenic picture offers a dropdown menu providing additional information about education, licensing and regulations.

In the future, the Agency will be offering online license renewals and additional downloadable publications.

The Agency encourages licensees to visit the website often as we continue to update and improve our online services.

EXAM MAY BE REQUIRED TO ACTIVATE LICENSE

A licensee wishing to activate an inactive license must complete 30 hours of continuing education, following the same requirements as active licensees. In addition, licensees who have been inactive for more than two consecutive years must pass a reactivation exam. The reactivation examination became effective in 1978.

The emphasis of the 48-question exam is on basic concepts of real estate and on current laws, administrative rules and regulations. The computer-based tests are administered by PSI, Inc., the Agency's exam services provider. The examination fee is \$75 (see "Reactivation Examination Fee Now \$75" below).

You may contact the Agency at (503) 378-4170, selection 2, for more information about your license status, the reactivation examination process and continuing education requirements.

AGENCY STAFF CHANGES

The Agency recently hired three Investigator/Auditors to fill vacancies in the Regulation Division.

Lance Johnson started with the Agency in December. He was previously employed at H&L Property Investments LLC, where he did real estate investing, land procurement, contracts and accounting. Mr. Johnson also worked in accounting for the Construction Contractors Board and the Department of Administrative Services. He graduated from Dixie State College of Utah with a degree in accounting and minor in business finance.

Dustin Ball began working for

the Agency in January. Mr. Ball was formerly a tax auditor with the Department of Revenue. He received an accounting degree from Western Oregon University.



Belinda DeGlow came to the Agency in February via Morrow Equipment Company where she worked as an accountant. She has also worked for the Department of Revenue, where she appraised centrally assessed properties and performed audits. Ms. DeGlow earned a degree in business from Western Oregon University.

The Agency welcomes Lance, Dustin and Belinda.

REACTIVATION EXAMINATION FEE NOW \$75

A change in Oregon Revised Statute 696.270(1) increased the reactivation exam fee on January 1, 2006. The change was a result of passage of House Bill 2096 during the 2005 legislative session. The \$75 fee covers the costs of computer-based testing services through the Agency's exam service provider, PSI, Inc.

The reactivation exam is required to activate a license if it has been inactive for more than two years. Contact the Education Section at (503) 378-4170, extensions 251 or 260, for more information about the reactivation examination.

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