



# Oregon Real Estate News-Journal

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No. 2

## ADVERTISING RULE CHANGES

*Scott W. Taylor, Real Estate Commissioner*

Because of the changes in technology and the structure of the business, the Real Estate Agency has undergone an extensive review of its advertising rules with the idea of keeping them true to what advertising rules should be about, while at the same time giving the degree of flexibility to allow changes in technology and the media where advertising appears. The result of the review was that the Agency proposed changes to its advertising rules (OAR 863-015-0125) in March 2005. After a period for comment, the changes became effective May 6.

For decades, the Agency's advertising rules have centered around two premises. First, that the overwhelming majority of advertising was done in print media. Second, that communication with a firm, other than face to face communication, was done primarily by telephone hardwired to an office, probably through some kind of switchboard system.

Neither of these premises is necessarily true in today's world of communication. Voice communication can now be accomplished using a traditional hardwired phone system, though the sophistication of those is

such that they accomplish many more things than before. Wireless communications both for voice and data are now the rule rather than the exception. Also, it is now possible to communicate telephonically over the Internet.

Speaking of the Internet, it is likely that it has surpassed traditional print media as a forum for advertising real estate.

Recognizing that what we see today regarding advertising media may change tomorrow, the Agency has attempted to write its rules to be more universal without being so directed at the old methods of communication.

With that in mind, advertising has been defined to include all forms of representation, promotion, and solicitation disseminated in any manner, and by any means of communication, for any purpose related to professional real estate activity.

There are eight basic premises to the rule.

1. Advertising shall be truthful and not deceptive or misleading.
2. Advertising must be done in the name in which the principal broker, sole practitioner broker, or



Commissioner Scott Taylor

- property manager does business.
3. Though the principal broker remains ultimately responsible for advertising of the firm, pursuant to written company policy, certain supervisory responsibilities can be delegated.
4. Advertising shall identify the licensee as being a real estate broker or property manager.
5. Advertising shall not imply that the licensee associated with a principal broker is the person respon-

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- sible for the operation of the brokerage.
6. Advertising shall not state or imply that the licensee is qualified or has expertise beyond what the licensee has.
  7. Advertising shall be done only with the written permission of the owner or the owner's authorized agent.
  8. Licensee-owned properties are exempted from this rule if they are not listed with the licensee's principal broker.

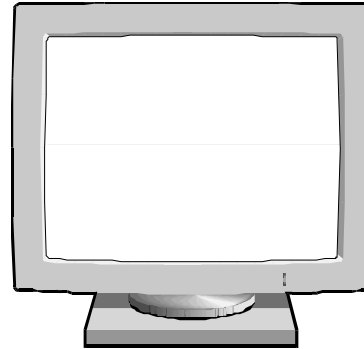
The Agency believes these rules are general enough to encompass the permissions that were incorporated into the old rules, while at the same time eliminating the unnecessary prohibitions hindering broker's use of technology or various media.

We believe these rules still meet the intent of what advertising rules are supposed to be about, which is to prohibit false and misleading advertising, and to properly identify the firm doing the advertising and that the advertiser is licensed.

Additional changes may be forthcoming as the Agency implements legislation passed during the 2005 Session. We will keep you advised through this publication, our website, and the normal rulemaking notification process.

## COMPUTER-BASED LICENSING EXAMS

In June, the Agency administered its last paper and pencil exams and began offering computer-based exams.



The exams are administered by PSI Examination Services at test centers in Portland, Wilsonville, Eugene, Medford, Bend, and Baker City. Hours of operation vary from two to five days a week, and Saturday testing is offered in every location.

The Agency continues to receive and process exam applications, and when applicants are determined to be eligible they are notified to contact PSI to schedule an exam appointment. PSI then administers the exams and provides score reports to applicants at the conclusion of the exam. The Agency issues licenses to applicants when all requirements are com-

plete (education, background check, examination, etc.).

The exam content has not changed; PSI uses the Agency's existing questions. The Agency may collaborate with PSI, educators, and others to update exam

content in the future.

Deputy Commissioner Betty Reynolds stated, "The purpose of the change is to streamline the exam process and improve service to applicants. The teamwork of the Agency staff and Board, PSI, educators, and applicants toward the success of the project is greatly appreciated."

You may obtain more information on the Agency's website at [www.rea.state.or.us](http://www.rea.state.or.us) (click on "Computer-Based Testing"), or by calling (503) 378-4170, extension 260 or 251.

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OREGON REAL ESTATE AGENCY  
Theodore R. Kulongoski, Governor  
Scott W. Taylor, Commissioner

### REAL ESTATE BOARD

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Betty Reynolds, Editor  
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## AGENCY WEBSITE CHANGES

The Agency migrated the content of its website to the State of Oregon portal in December. The purposes of the migration were to facilitate e-government; assure a "common look and feel" and seamless navigation among agency websites; and provide a uniform search mechanism.

Since then the Agency has made other improvements to its website. Forms have been added and updated, complete information about the new computer based exam process is posted, and current information regarding changes to administrative

rules, including drafts of proposed changes, is continuously posted. The Agency has received many requests to post the *OREN-J*, and the past eight editions now available on the website. Current editions will be posted when they are published, and older editions (to 2000, which are in PDF format) will be posted as time permits.

The Agency is upgrading its database management system to permit online renewals, and the service is expected to become available in the Fall of 2005.

## STAFF CHANGES

In March, Coleen Oliva joined the Agency as a Public Service Representative in the Licensing Section. She previously worked as a Public Service Representative with the Oregon Public Service Retirement System, as a case manager with Oregon Senior Services, and was a small business owner. Ms. Oliva holds a Bachelor of Arts degree in Communications from the University of Oregon. Her duties include providing information and services for the Agency's Land Development program.

Ralph Harding began employment in April as a Financial Investigator with the Regulation Division. Mr. Harding has extensive experience in the areas of bank regulations, insurance and real estate. He was previously employed as an Investigations Specialist and as a Credit Specialist for the Federal Deposit Insurance Corporation. As a Loan Specialist for Wilshire Credit Corporation, he was responsible for collection of non-performing real estate loans.

On behalf of the Agency, Commissioner Scott Taylor welcomes Ms. Oliva and Mr. Harding.

## LICENSE FORMS UPDATED

License forms were updated so they are more user-friendly and compatible with system and operating procedure changes. They are available on the website at [www.rea.state.or.us](http://www.rea.state.or.us); click on "Publication and Forms."

Please ensure you are using the most recent form. Beginning August 1, 2005, the updated forms will be required to complete the transaction requested. Using old forms after August 1 will delay the processing of the transaction. If you have questions regarding a form, call the Licensing staff at (503) 378-4170, selection 2, or e-mail your question to [orea.info@state.or.us](mailto:orea.info@state.or.us).

## TEMPORARY ADMINISTRATIVE RULE CHANGES

The Real Estate Agency filed temporary revisions to administrative rules relating to real estate and property management licensees. The revisions will be effective July 1, 2005.

The temporary rule changes to OAR 863-015-0020 and 863-015-040 clarify the licensing examination process. OAR 863-015-0045(7) is deleted because the due dates are no longer relevant. OAR 863-015-0060(1) is amended to reflect changes made by the 2003 legislature that a license does not have to be revoked to be a "limited" license. The final rule change concerns fingerprint processing fees for Real Estate Marketing Organizations. OAR 863-010-0640(4) currently sets a fee of \$40.00 for the processing of the applicant's fingerprint information and securing any criminal offender information pertaining to the applicant. However, ORS 696.793 requires the agency to set by rule a fee not to exceed agency cost to obtain this information. As presently stated, subsection (4) is inconsistent with a statutory directive. This rule change is to precisely implement the agency's authority to recover agency costs, notwithstanding the current enumerated fee and in light of the Oregon State Police's authority to decrease or increase fee for fingerprint check services. Also, this rule change makes the particular subsection consistent with all agency rules implementing ORS 696.793 [See OAR 863-015-0015(3), 863-050-0240 and 863-040-0040(2)].

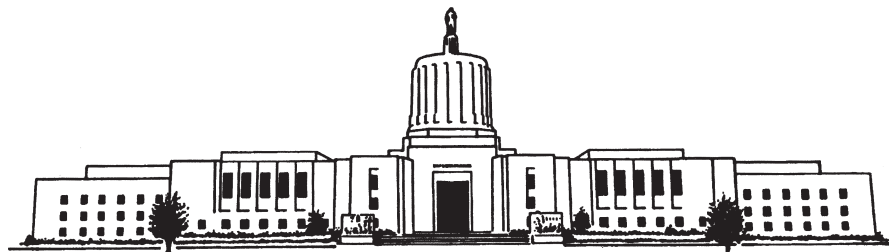
You can obtain more information about the temporary rules in several ways.

- The temporary rules and related information will be published in the Secretary of State's (SOS) *Oregon Bulletin*, July 15, 2005, which is available either in paper format by calling (503) 373-0701 or through the SOS website at <http://arcweb.sos.state.or.us>, and clicking on "Administrative Rules" then "Current Bulletin."
- An unedited copy of the final rules may be viewed and downloaded, at [www.rea.state.or.us/final](http://www.rea.state.or.us/final).
- A hard copy of the text of the proposed rule changes may be obtained by calling (503) 378-4170, ext. 239. In compliance with the Americans with Disabilities Act, the information is available in alternative formats upon request.

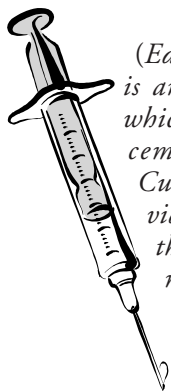
The Agency will provide formal notice, including instructions on how and when to provide comments, to make these temporary rule changes permanent rules in a later edition of the *Bulletin*, on the Agency's website, and through written notification to the Agency's notification list and to those who request notice. *At the time of formal notice you will have an opportunity to provide comments before the temporary rules become final.*

For additional information please contact:

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Salem, OR 97301-2505  
facsimile: (503) 378-2491  
e-mail: [brian.a.demarco@state.or.us](mailto:brian.a.demarco@state.or.us)  
telephone: (503) 378-4170,  
extension 237.



## ILLEGAL DRUG MANUFACTURE SITES



*(Editor's Note: Following is an update of an article which appeared in the December, 2004 OREN-J.*

*Current information provided by Agency staff and the Department of Human Services was added.)*

Problems related to methamphetamine use, illegal drug manufacture (meth labs) and the resulting contamination of sites have been on the rise in Oregon. Contamination from meth labs pose serious health hazards for real estate consumers and brokers who might be unaware a site is contaminated. It is a good time to review the pertinent laws and rules, and the means for identifying such sites.

According to the federal Drug Enforcement Administration (DEA) and the Oregon Department of Human Services (DHS) Office of Public Health's Drug Lab Cleanup Program, methamphetamine is a toxic and highly addictive drug. It can be easily manufactured in clandestine laboratories, often found in homes and rental properties. The manufacture of methamphetamine releases poisonous gas into the atmosphere and creates toxic waste. Those who visit the sites face the risk of injury, illness, and explosions. According to the DEA, in 2001 there were 12,715 methamphetamine laboratory incidents reported in 46 States, with the West Coast accounting for most of the laboratory incidents.

Since 1990, Oregon law has provided a means of identification and cleanup of contaminated sites. Under ORS 453.855 to 453.912, real estate may be declared unfit for use upon a determination that it has been, or that there are reasonable grounds to believe, it has been used as an illegal drug manufacturing site. Public officials authorized to make a determination whether a

property is fit for use include the Director of Human Services or designee, the State Fire Marshal or designee, or any law enforcement agency. The determination renders the property not fit for use and prohibits any further habitation or use of the property (including rental or lease) until the property has been decontaminated by a contractor licensed by DHS, or pursuant to Oregon Administrative Rules 333-040-0065. Properties are posted as unfit for use to prevent innocent third parties from entering contaminated sites. DHS maintains a list of approved contractors at [www.oregon.gov/DHS/ph/druglab/Contractor\\_List.doc](http://www.oregon.gov/DHS/ph/druglab/Contractor_List.doc). DHS can also be reached at (971) 673-0429.

The laws and rules provide that no person shall transfer, sell, use, or rent any such property unless it is officially certified as fit for use. Any contract or agreement for the transfer, sale, use or rental of real estate that has been declared unfit for use is voidable by the person who would receive, use, buy or rent the real estate under such agreement. Any note or evidence of indebtedness given to a third party who financed the transaction is not voidable.

The Building Codes Division (BCD) of Oregon's Department of Consumer and Business Services maintains a list of the properties that have been declared to be unfit for use at [www.cbs.state.or.us/bcd/druglabs/druglabs.html](http://www.cbs.state.or.us/bcd/druglabs/druglabs.html). Or, contact BCD at (503) 378-4133 for more information.

Real estate that has been declared unfit for use may be sold before a Certificate of Fitness is issued only following full written disclosure to the buyer or transferee. The disclosure must attach to the earnest money agreement and the sale document on the real estate. The owner shall provide a copy of the disclosure statement to the BCD and the Oregon Health Di-

vision within 10 days of the closing of the sale or transfer.

The disclosure must contain at a minimum:

- A verbatim statement as follows: **"The property in this transaction has been determined to be an illegal drug manufacturing site and cannot be rented, leased, entered or used for any reason without first being issued a Certificate of Fitness by the Oregon Health Division."** The statement shall be in 10-point bold type or equivalent;
- A brief description of the property including street address and legal description;
- A brief description of the kind and location of all drug manufacturing activities on the property if known;
- The name and address of the owner of record and of the buyer or transferee;
- The date of the transfer;
- The name and address of the agency that made the determination that the real estate was unfit for use; and
- A photocopy of the written notice of determination that the real estate was unfit for use.

If the required disclosure is not provided to the purchaser, the purchaser may void the transaction and bring suit to recover damages resulting from the failure to disclose. The seller of such property must notify the DHS of the sale.

If real estate has been declared unfit for use, ownership of that real estate will also be tracked by the BCD, and changes in ownership of the real estate will be reflected on the list.

At the least, real estate licensees should assure that they are familiar with existence of and how to access the BCD list of contaminated properties. They should be aware the seller cannot transfer, sell, use, or rent any such property un-

less it is officially certified as fit for use.

Further, it is suspected that not all contaminated properties are on the list, and although notice of unfitness for use must be firmly affixed, notices might have been illegally removed. In addition to being aware of all listed contaminated sites, licensees can be proactive in recognizing the "red flags" associated with illegal drug manufacturing sites. Indications of a drug lab can include

- chemical bottles/glass containers, pressurized cylinders, hoses/tubing, and bottles or "blister packs" of medicine containing ephedrine or pseudoephedrine.
- Red to orange stains in the bathroom and/or kitchen
- Excessive trash
- Strong odor of solvents (ether-,

ammonia-, vinegar-like odors)

- Owners or neighbors claiming that the dwelling has been used as an illegal drug manufacturing site.

If either observed physical traces of chemicals or any information on past illegal uses could give you reasonable cause to believe that the dwelling has been used as an illegal drug manufacturing site, do not enter the site, and notify the owner and the closest local police or sheriff's office, the local fire department or the local or state health officials of the suspected contamination. In addition to the prohibitions in ORS Ch. 453, a real estate licensee has an obligation under ORS Ch. 696 to exercise reasonable care (including protecting clients and other licensees from the dan-

gers of a contaminated site) and to notify parties of material facts. But as indicated above, the owner may have the licensee engage in sales and transfer activity for the real estate after complying with the decontamination laws and special disclosure requirements.

Additional information is available at the Oregon DHS Drug Lab Cleanup Program website (<http://oregon.gov/DHS/ph/druglab/>). Also, local law enforcement entities, the Oregon State Police, and the DEA may be available to provide specific training about recognizing and reporting contaminated sites. Information about complying with Real Estate License Law is available on the Agency's website at [www.rea.state.or.us](http://www.rea.state.or.us), or by calling (503) 378-4170, selection 4.

## YOUR LICENSE: MYTH VS. FACT

The Agency answers many questions regarding Oregon Real Estate License Law. We want to clarify the following common misconceptions about license law. If you have further questions regarding license laws, please call Licensing Section staff at (503) 378-4170, selection 2, or email your question to [orea.info@state.or.us](mailto:orea.info@state.or.us).

**Myth:** *Passing the Associate Broker Transition Course (ABTC) automatically allows me to become a sole practitioner or principal broker.*

**Fact:** Real estate license laws were changed in 2001. As a result of the changes, all salespersons' licenses were converted to temporary associate broker licenses on July 1, 2002, and they were required to complete the ABTC by June 30, 2005.

There are additional requirements for becoming a sole practitioner broker or a principal broker. Sole practitioner brokers must pass the state and national sections of the broker exam and must have 3 years active, licensed real estate experience. Principal bro-

kers must pass the state and national sections of the broker exam, must have three years active, licensed real estate experience, must complete the 40-hour Brokerage Administration and Sales Supervision course, and must have an affiliated broker or property manager to supervise.

**Myth:** *A sole practitioner may hire an affiliated broker and the only paperwork required is for the affiliated broker's transfer or license application to be submitted to the Agency.*

**Fact:** Sole practitioners must change their license to a principal broker to supervise (hire) an affiliated broker. To do so, the sole practitioner must first meet the principal broker requirements listed above. Call the Licensing Section [(503) 378-4170, selection 2] to determine what form and fee will be required to complete the change in your particular case.

**Myth:** *As a sole practitioner planning to hire an affiliated broker in the*

*future, I can get my principal broker license now.*

**Fact:** According to license law, a principal broker "employs, engages or supervises another real estate broker." The Agency is unable to change a license type from a sole practitioner to a principal broker UNTIL the licensee has another real estate broker who will be affiliated with them.

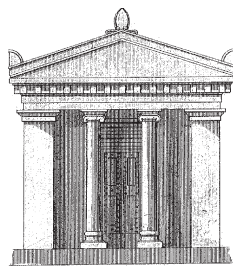
The Agency processes both transactions jointly, which means both complete transaction requests must be received by the Agency before either are effective.

**Myth:** *I am changing my Registered Business Name (RBN) from "ABC Real Estate" to "DEF Real Estate" and simply pay a \$10 fee.*

**Fact:** Under Oregon's license law, "DEF Real Estate" is a new RBN. The Registered Business Name Application and \$230 fee are required. The license for each licensee transferring to the new name must also be included, with an additional \$10 fee for each.

# ADMINISTRATIVE ACTIONS

February 1, 2005 through May 31, 2005



*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

Andrus, Sarah (Eugene) Property Manager #980700115  
Default order dated May 3, 2005, effective May 24, 2005; issued checks from her clients' trust account which were returned NSF, OAR 863-025-0025(3)(a); failed to prepare and reconcile all property management clients' trust accounts at least once a month, OAR 863-025-0025(5); failed to prepare and reconcile all tenant security deposit clients' trust accounts at least once each month, OAR 863-025-0025(6); allowed an owner ledger to become overdrawn, OAR 863-025-0025(3)(e); allowed her clients' trust account to become overdrawn, ORS 696.301(20); failed to record numerous on-line transfers from her clients' trust account, OAR 863-025-0025(10); issued a check for the return of a tenant security deposit with a check from an account that was not labeled a clients' trust account and which check was returned NSF, OAR 863-

025-0030(1); and failed to include the tenant security deposits in an owner final accounting, OAR 863-025-0070(3).

## SUSPENSIONS

Allen, Danny R. (Klamath Falls) Broker #830400037  
Stipulated order dated March 29, 2005 issuing a 90 day suspension effective April 1, 2005; in transactions using barter credits to purchase properties and because of the nature of barter credits, Allen failed to collect and deposit the barter credits specified as earnest money in two transactions, failed to communicate to a seller or the seller's agent that the earnest money promissory note had not been redeemed as agreed, prepared an addendum to an offer by having the seller sign the offer as accepted and adding an addendum, creating what was in effect a counter offer but failing to state transaction was subject to acceptance of addendum, failed to get one offer rejected by the seller, and in three transactions failed to follow the Agency's advice regarding disclosure or explanation of the potential risks of involvement in the barter credit program, by failing to disclose these risks he arranged a sale as an in-company agent whereby the seller lost approximately \$416,400.00, ORS 696.301(28); and by representing to three sellers that he had used barter credits and that he had easily spent them, Allen implied that barter credits were easily spent or reinvested on real property purchases when he knew or should have known they were not, ORS 696.301(1) (1999 Edition).

Deatherage, James F. (Coquille) Temporary Associate Broker #990300038  
Hearing order dated April 14, 2004 issuing a 90 day suspension and levying a \$500 civil penalty. An appeal was filed with a Stay of Final Order dated April 27, 2004. The Court of Appeals affirmed the Agency's order without

opinion on May 12, 2005. Based on the Stay Order, the 90 day suspension became effective May 19, 2005. Deatherage failed to sign, or have his broker sign, a real estate listing agreement for a property Deatherage purchased, ORS 696.301(28) (1999 Edition); failed to obtain the seller's acceptance of an offer, OAR 863-015-0135 (1999 Edition); failed to deposit an earnest money deposit to escrow, ORS 696.805 and ORS 696.815 (1999 Editions); engaged in professional real estate activity without an active license, ORS 696.020(1) (1999 Edition); failed to transfer all documents and funds in a transaction to his broker, conducted the closing of a transaction without the knowledge or supervision of his broker, and without the written authorization and under the direct control of his broker, ORS 696.301(31) (1999 Edition).

Frey, Lisa M. (Eugene) Broker #970500069  
Stipulated order dated April 8, 2005 issuing a 30 day suspension effective April 1, 2005; failed to review a proposal regarding a leaking heating oil tank and did not become aware of the report recommendation regarding further soil examination due to an oil release prior to decommissioning on her own property she was selling, ORS 696.301(28); and failed to disclose such report contents to the buyer, ORS 696.805(2)(c).

Melton, John G. (Redmond) Broker #200201028  
Stipulated order dated April 14, 2005 issuing a 60 day suspension effective April 15, 2005; advertised his real estate services on a web site he created without including the name and telephone number of his principal real estate broker's company or firm, OAR 863-015-0125(4)(b); used meta tagging and other computer technology to intentionally misdirect internet traffic away from other licensees' web

sites to his own, OAR 863-015-0125(9)(f); and created or hired someone to create a web site that intentionally misdirected internet traffic from other licensee sites to his own web site, ORS 696.301(31).

West, Ray (Klamath Falls) Broker #880100115

Stipulated order dated April 15, 2005 issuing a 30 day suspension effective April 15, 2005; failed to provide an initial agency disclosure to a seller, ORS 696.820(1); by using only one page of a five page preprinted form as a sale agreement when he wrote an offer, he failed to include all of the terms and conditions of the offer, OAR 863-010-0020(5); failed to obtain a final agency acknowledgement of the existing agency relationship, ORS 696.845; allowed a buyer to take possession of a property prior to close of escrow without a written addendum allowing such possession, ORS 696.815(2)(a)(b); failed to disclose to a buyer that access to the property she was purchasing was by a USFS road and that it created a reasonable probability of damage or injury as it was uninsurable by the title insurance company, ORS 696.301(1); participated in changing closing terms in a transaction when 20,000 UTB credits (United Trade Bureau – barter credits) were changed to a \$20,000 second note and trust deed because the lender did not want the UTB credits, ORS 696.301(1); failed to follow the Agency's advice regarding disclosure or explanation of the potential risks of involvement in the UTB program, ORS 696.815(2)(b)(c); and represented that UTB credits were easily spent or reinvested on real property purchases when he knew or should have known they were not, ORS 696.301(1) (1999 Editions).

Woods, Mack A. (Canby) Broker #80120407

Hearing order dated February 23, 2005 issuing a 90 day suspension effective March 18, 2005; This case was the result of a complaint alleging Woods had failed to disclose a conflict of in-

terest, created an illegal partitioning when he sold a piece of the sellers' property to a person who became his wife, and whether he failed to disclose the resulting land use problems that were created either in the listing, to the sellers, potential buyers or their agent for the remainder of the sellers' property. Licensee failed to maintain records of offers handled on a prospective sale, in violation of ORS 696.280(1) pursuant to ORS 696.301(5) (1999 Edition); failed to complete the April 2, 2002 fee agreement with an expiration date, in violation of OAR 863-010-0015(2)(a) pursuant to OAR 863-010-095 and ORS 696.301(31) (1999 Edition); failed to provide the sellers with a copy of the April 2, 2002 fee agreement after the listing price and expiration date blanks were filled in, in violation of OAR 863-010-0015(1) pursuant to OAR 863-010-095 and ORS 696.301(31) (1999 Edition); violated ORS 696.805(2) pursuant to ORS 696.301(5) (1999 Edition), by failing to explain to his seller clients that their tax lots were not in compliance with county land use rules, when he knew or should have known that the tax lots were not legally divided; violated ORS 696.805(2) pursuant to ORS 696.301(5) (1999 Edition), by personally purchasing TL 2900 from his clients which rendered the remaining portion of his client's property out of compliance with the county's land use regulations, when he knew or should have known that the tax lots were not legally divided; violated ORS 696.301 (28) (1999 Edition) by allowing his clients to enter into a sale agreement with buyer for TLs 3000, 3100 and 3200 without ensuring the land use issues were known to buyer or buyer's agent; violated ORS 696.301(1) (1999 Edition) by failing to advise the buyer of the land use issues.

### REPRIMANDS

Hesselman, Sarah E. (Lake Oswego) Broker #200109060

Stipulated order dated February 23, 2005; failed to turn in transaction documentation and earnest money to

her principal broker until 4 business days after the offer was written and earnest money check was tendered and the offer accepted, ORS 696.301(24); failed to include a closing date on an earnest money agreement, OAR 863-015-0135(5). When seller discovered earnest money had not been deposited, seller withdrew from sale.

Husband, Nancy L. (Portland) Broker #860600070

Stipulated order dated April 5, 2005; failed to include language regarding the required repairs to the subject property, thus failing to include all terms and conditions of the sale, OAR 863-015-0135(5).

Lewis, Cyndi (Milwaukie) Broker #931000077

Stipulated order dated April 27, 2005; failed to return a real estate license to the Agency although she was repeatedly requested to do so by her associate, ORS 696.221.

Lynch, Lorin J. "Jon" (Newport) Principal Broker #780303684

Stipulated order dated March 15, 2005; failed to provide timely review of contract documents and follow-up supervision of his agent for the protection and contract performance of the buyer when the documents clearly were problematic, including obvious math errors and conflicting inspection provisions, ORS 696.301(29).

Nelson, Carolyn A. (Boring) Broker #200205178

Stipulated order dated April 29, 2005; failed to transmit an offer to a seller in a timely manner, thereby delaying the transaction to the point there wasn't enough time to complete the sale before the foreclosure sale, ORS 696.805(2)(b).

Smith, Darlene A. (Hillsboro) Broker #911000174

Stipulated order dated May 31, 2005; required buyers sign a 72-hour contingency agreement, after their offer had been accepted, that was adverse or

**ADMINISTRATIVE ACTIONS:** *continued on page 8*

**ADMINISTRATIVE ACTIONS:** *continued from page 7*  
detrimental to their interest in the transaction, and therefore failed in her affirmative duty to the buyer, ORS 696.815(2)(b).

Steiner, Judy K. (McMinnville) Broker #940600190  
Stipulated order dated April 27, 2005; billed an individual for consulting services regarding a rental unit without a prior, written, dated and signed property management agreement, OAR 863-025-0020(2); and failed to follow up on the individual's claim that the billing was unlawful and then forwarding the \$150 consulting billing to a collection agency, ORS 696.301(31).

### CIVIL PENALTIES

American Title Group, Inc. (Eugene) Escrow Agent #930800117  
Stipulated order dated March 1, 2005 issuing a \$2,000 civil penalty; held two checks in a transaction undeposited, OAR 863-050-0066; returned the undeposited checks without instructions from all parties, ORS 696.581(2); and failed to submit required financial information to the Agency within 120 days of its tax or accounting year end, OAR 863-050-0150(2).

AmeriTitle (Bend) Escrow Agent #960300017  
Stipulated order dated March 29, 2005 issuing a \$1,500 civil penalty; failed to notify a buyer that a mobile home title had not been transferred, ORS 696.535(1)(g) (1999 Edition); took its escrow fee in 1999 before the mobile home title had been transferred, OAR 863-50-055(5) (1999 Edition); issued a check in March 2004 as part of the escrow function that was not a trust account check and was not listed on the escrow ledger, OAR 863-050-0050(1)(a) (2003 Edition); and failed to deliver title to the mobile home to the buyer for almost five years after it was engaged to do so, ORS 696.535(1)(h) (2003 Edition).

Beckley, Tammy L. (Brookings) Broker #990300091  
Stipulated order dated March 22, 2005 issuing a \$600 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

Brazer, Charles T. (Portland) Broker #200301175  
Stipulated order dated February 28, 2005 issuing a \$600 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

Clarizio, Robert F. (Portland) Broker #901200157  
Stipulated order dated April 28, 2005 issuing a \$1,100 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

First American Title Insurance Company of Oregon (Portland) Escrow Agent #850600257  
Stipulated order dated February 14, 2005 issuing a \$2,000 civil penalty; changed closing statements without obtaining new escrow instructions, ORS 696.581(2); used closing statements that did not contain specific amounts, OAR 863-050-0025; and indicated on the ledger that wired funds were received from one party when they were actually received from another party, OAR 863-050-0050(1)(a).

Hafdahl, Jerry K. (Portland) Broker #950800198  
Stipulated order dated March 24, 2005 issuing a \$1,600 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

Hollis, Robin C. (Idaho) Broker #200210073  
Stipulated order dated April 27, 2005 issuing a \$100 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

Lee, Ronny J. (Salem) Principal Broker #199912062  
Stipulated order dated February 28, 2005 issuing a \$300 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

Lundeen, Joyce (McMinnville) Principal Broker #840100124  
Stipulated order dated April 15, 2005 issuing a \$100 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

Mularz, Melanie K. (Ashland) Broker #990300115  
Stipulated order dated April 27, 2005 issuing a \$100 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

Rist, Donald L. (Medford) Broker #780103866  
Stipulated order dated March 16, 2005 issuing a \$1,100 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

Walker, Corey L. (Springfield) Broker #971100111  
Stipulated order dated March 24, 2005 issuing a \$3,600 civil penalty; failed to renew real estate license for a period of time while continuing to conduct professional real estate activity, OAR 863-15-0050(2).

## **ADDITIONAL EDUCATION REQUIREMENTS FOR NEW AFFILIATED BROKERS**

If you are an active affiliated broker who was licensed for the very first time after July 1, 2002, you must complete the **Advanced Real Estate Practices** course prior to your first license renewal. Advanced Real Estate Practices is an Agency-approved, 30-hour course that builds upon your initial pre-license education. It is required by Oregon Administrative Rule 863-015-0055(4).

To meet the requirement, you must:

1. Take the 30-hour Advanced Real Estate Practices course from an approved course provider. [See page 10 for a list of approved course providers.] Although the Advanced Real Estate Practices course requirement is separate from continuing education requirements, a principal broker may permit affiliated brokers to

use the course to meet license renewal requirements.

2. Submit proof of completion of the Advanced Real Estate Practices course to your principal broker. Your principal broker will then certify on your license renewal form that you have completed the course. Do not send proof of course completion to the Real Estate Agency.

**DEADLINE: First license renewal date.** 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 July 2004, and your birthday is in August, your license would renew August 31, 2005.

*NOTE: If you held any type of Oregon broker license prior to July 1, 2002, or you currently have a principal or sole practitioner broker license, you must meet the normal continuing education requirements at your license renewal. Visit [www.rea.state.or.us](http://www.rea.state.or.us) for information on continuing education requirements. If you were licensed as a salesperson in Oregon on June 30, 2002, your license was converted to a temporary associate broker license on July 1, 2002 and you needed complete the Associate Broker Transition course by June 30, 2005 to keep your license.*

If you have questions about license requirements, please contact the Licensing Section at (503) 378-4170, extension 0. If you have questions about education or examination requirements, please contact the Education Section at (503) 378-4170, extension 251 or 260.



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

The Agency is improving its services to licensees: it is upgrading its database to permit online renewals, and it migrated to computer based exams beginning June 1. The changes, as well as transactions related to Associate Broker Transition Course requirements have increased the Agency's workload and phone calls.

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

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

## **APPROVED ADVANCE REAL ESTATE PRACTICES COURSE PROVIDERS**

*Advanced Real Estate Practices is a 30-hour Agency-approved course. Newly licensed affiliated brokers who obtained their license after July 1, 2002 must complete the course prior to their first license renewal. Below is a list of approved course providers. This listing does not guarantee course availability. See page 9 for more information.*

American College of Real Estate and Appraisal, 6950 SW Hampton St Ste 314, Tigard OR 97223,  
www.acre4you.com, (503) 968-9737

Appraisal & Real Estate School of Oregon, 200 W Barnett, PO Box 8401, Medford OR 97501, (541) 772-2620

Careers Real Estate School, 4710 Village Plaza Lp Ste 200, Eugene OR 97401, (541) 302-4846

Center for Professional Studies, 2480 S Roosevelt Dr, PO Box 772, Seaside OR 97138, (503) 738-9531

Century 21 Columbia Crest, 207 W 3<sup>rd</sup> St, The Dalles OR 97058, (541) 298-2121

Century 21 Real Estate School, 305 W 7<sup>th</sup> Ave, Eugene OR 97401, (541) 344-2400

Century 21 Real Estate School, 605 N Bayshore Dr, Coos Bay OR 97420, (541) 267-2221

Coldwell Banker Mountain West Real Estate School, 615 Commercial St NE, Salem OR 97301, (503) 364-9596

Eagle Vision Institute of Real Estate, 4034 Main St, Springfield OR 97478, (541) 747-9971

ERA Prestige Home Real Estate School, 206 NE 7<sup>th</sup> St, Grants Pass OR 97526, (541) 474-4357

Eugene Vocational School, 2300 Oakmont Way Ste 106, Eugene OR 97401, (541) 484-0784

Jackson County School of Real Estate, 767 S Riverside Ave, Medford OR 97501-7837, (541) 773-7700

John L. Scott Real Estate Academy / Oregon City, 358 Warner Milne Rd Ste G-108, Oregon City OR 97045, (503) 656-6656

John L. Scott Real Estate Academy / Portland Metro, 2208 SE 182<sup>nd</sup> Ave, Portland OR 97233, (503) 665-0111

John L. Scott Real Estate Academy / Washington Square, 9020 SW Washington Square Dr #100, Portland OR 97223, (503) 671-0221

Lincoln City Real Estate School, 1831 SW Highway 101, Lincoln City OR 97367, (541) 994-5221

Northwest Realty Consultants Real Estate School, 904 N Albany Rd, Albany OR 97321, (541) 928-8440

onlineEd, PO Box 2078, Lake Oswego OR 97035, www.onlineed.com, (503) 636-4580

Premier Training Group, 85 Centennial Lp, Eugene OR 97401, (541) 284-8900

Professional Trainers of Oregon, 533 SE Main St, Roseburg OR 97470, (541) 672-9200

ProSchools – Real Estate School of Oregon / East, 10580 SE Washington St, Portland OR 97216, www.proschools.com, (800) 452-4879

ProSchools – Real Estate School of Oregon / Salem, 1822 Lancaster Dr NE, Salem OR 97305, (503) 371-4471

ProSchools – Real Estate School of Oregon / West, 10225 SW Parkway, Portland OR 97225, www.proschools.com, (800) 452-4879

ProSchools of Klamath Falls, 527 Main St, Klamath Falls OR 97601, (541) 882-3471

Pro-Studies, 61419 S Highway 97 Ste C, Bend OR 97702, www.pro-studies.com, (541) 388-1021, (888) 903-1021

Quality Real Estate School, 180 NE Penn, Bend OR 97701, www.qualityrealestateschool.com, (541) 389-9585

Real Estate Institute of Greater Portland, 1450 SE Orient Dr, Gresham OR 97080-6219, (503) 665-6780

The Windermere Real Estate School, 2424 SW Vista Ave, Portland OR 97201, (503) 497-5322

Warren's Real Estate School, 1749 Highway 101, PO Box 817, Florence OR 97439, (541) 997-1142

Windermere / Grants Pass Real Estate School, 980 SW 6<sup>th</sup> St Ste 14, Grants Pass OR 97526, (541) 479-8686





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