

1 OREGON REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER  
3

4 In the Matter of the Real Estate License of )  
5 ) SETTLEMENT AGREEMENT  
6 ARDITH W CHANCELLOR ) AND  
7 ) STIPULATED FINAL ORDER  
8 \_\_\_\_\_ )  
9

10 The Oregon Real Estate Agency (OREA) and Ardith W. Chancellor (Chancellor) do  
11 hereby agree and stipulate as follows:

12 1.

13 On August 8, 2013, OREA notified Chancellor that it was initiating disciplinary  
14 proceedings based on ten violations of law as set out in the Settlement Letter dated August 8,  
15 2013 in this proceeding (see Attachment 1). A settlement conference was not requested.

16 2.

17 OREA and Chancellor are willing to resolve this matter by stipulated agreement.

18 3.

19 Chancellor does not desire to contest or defend against the alleged violations and  
20 agrees that OREA may enter an order revoking her license.

21 4.

22 Chancellor and the OREA agree that the OREA will enter an order revoking  
23 Chancellor's property manager license. The revocation shall be permanent. Chancellor may  
24 not reapply at a later date for an Oregon real estate license.

25 STIPULATION AND WAIVER

26 I, Chancellor, have read and reviewed the above settlement agreement which has been  
27 submitted to me by OREA and further, the order that follows hereafter. I understand that this  
28 agreement, stipulation and waiver embodies the full and complete agreement and stipulation  
29 between OREA and me. I further understand that if I do not agree with this stipulation I have  
30 the right to request a hearing before the Real Estate Commissioner on this matter and to be

1 represented by legal counsel at such a hearing. Hearings are conducted in accordance with  
2 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and  
3 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily  
4 waive my rights to a hearing and to any OREA or judicial review of this matter. I freely and  
5 voluntarily waive my rights to representation by legal counsel at any hearing.

6 I hereby agree and stipulate to the above and understand that the order that follows  
7 hereafter may be completed and signed by the Real Estate Commissioner or may be rejected  
8 by the Real Estate Commissioner, in which case an amended Settlement Agreement and  
9 Stipulated Final Order may be issued in this matter. I understand that in accordance with the  
10 provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real  
11 Estate News Journal.

12 ORDER

13 Based on the settlement agreement, which is incorporated herein, the Oregon Real  
14 Estate Commissioner orders that the real estate property manager's license of Chancellor is  
15 hereby permanently revoked.

17 STIPULATED AND AGREED:

18   
19 \_\_\_\_\_

20 ARDITH W. CHANCELLOR

21 Date: 9-25-2013  
22 \_\_\_\_\_

STIPULATED, AGREED AND ORDERED:

23   
24 \_\_\_\_\_

25 GENE BENTLEY

26 Real Estate Commissioner

27 Date: 10.3.13  
28 \_\_\_\_\_

29 DATE of service: 10/3/13  
30 \_\_\_\_\_



# Oregon

John A. Kitzhaber, MD, Governor

# COPY

## Real Estate Agency

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August 8, 2013

Ms. Ardith Wendy Chancellor  
2655 NE Cora Drive  
Madras, OR 97741

Re: File #2013-150; #2013-159; #2013-173

Dear Ms. Chancellor:

Based on the facts developed in the investigation of the referenced complaint file, the Oregon Real Estate Agency (OREA) intends to take administrative action against you or your license for possible violations of Oregon Revised Statutes (ORS) or Oregon Administrative Rules (OAR). A copy of the investigative report is enclosed.

The Real Estate Agency believes that your actions are in violation of the following Agency statutes and rules and are subject to sanction under ORS 696.301.

1. You failed to provide the OREA with a record of all receipts and disbursements or check registers for clients' trust accounts or security deposit accounts in violation of OAR 863-025-0035(1)(d) (04/01/2013 & 09/14/2013 Editions).
2. You failed to provide the OREA with a record of reconciliations of each clients' trust account or security deposit account, in violation of OAR 863-025-0035(1)(j) (04/01/2013 & 09/14/2012 Editions).
3. You failed to provide the OREA with a record of all deposits for each clients' trust account and security deposit account, in violation of OAR 863-025-0035(1)(l) (04/01/2013 & 09/14/2012 Editions).
4. In a document titled "Account List", you indicated the total amount owing to your owners, which included amounts collected in rent and security deposits held on behalf of tenants, was \$90,784.12. These monies were not paid out and were not held on behalf of your owners and tenants in a clients' trust account or security deposit account. By failing to maintain or disburse these funds to their rightful owners you committed an act of fraud or engaged in dishonest conduct substantially related to your fitness to conduct professional real estate activity, in violation of ORS 696.301(14) ( 2011 Edition).
5. You stated that you owed \$3392.70 to one owner who provided documentation that indicates that amount to be \$13,878.23. You did not provide any documentation to support the amount you claim to owe. By the lack of record keeping that can be verified you committed an act of fraud or engaged in



dishonest conduct substantially related to your fitness to conduct professional real estate activity, in violation of ORS 696.301(14) (2011 Edition).

6. By failing to pay owners funds out as they are received or failing to collect rent when rent was due; paying only the "squeakiest wheel", you demonstrated incompetence or untrustworthiness in performing any act for which a licensee is required to hold a license, in violation of ORS 696.301(12) (2011 Edition).
7. By repeatedly spending clients' trust account funds with no authorization from owners on repairs to rental units and allowing tenants to remain in rental units without paying rent due you demonstrated incompetence or untrustworthiness in performing any act for which a licensee is required to hold a license, in violation of ORS 696.301(12) (2011 Edition).
8. You had officially informed the OREA through a letter dated December 1, 1999 that you were closing your clients' trust account for security deposits. When you started holding security deposit funds again you put those funds into your clients' trust account for rental income in violation of OAR 863-025-0025(4) (04/01/2013 & 09/14/2012 Editions).
9. You failed to reconcile your clients' trust account repeatedly within 30 calendar days of the date of the bank statement, in violation of OAR 863-025-0025(20) (04/01/2013 & 09/14/2012 Editions).
10. Through your actions in items #1 - #9 you demonstrated incompetence or untrustworthiness in performing any act for which a licensee is required to hold a license, in violation of ORS 696.301(12) (2011 Edition).

The purpose of this letter is to inquire as to whether you would be willing to settle the matter and avoid the time and expense of a formal administrative hearing by entering into a stipulated order resulting in a revocation of your license. If you wish to accept this offer, please contact Denise Lewis at 503-378-4761 within two weeks of the date of this letter.

If you are interested in discussing this matter on an informal basis with the Agency, contact Denise Lewis at 503-378-4761 within two weeks of the date of this letter to schedule a settlement conference to occur within 30 days of the date of this letter.

The proposed sanction may be changed if the matter is not resolved by stipulated agreement. If this matter cannot be resolved by stipulated agreement, we are prepared to move this matter forward by issuing a Notice of Intent, which is the first step in the formal disciplinary process. However, we are willing to refrain from taking this action in the event a successful settlement can be achieved.

You also may arrange to review the entire investigative file by contacting Denise Lewis at 503-378-4761. Copies of file documents are available to you for a fee under the Public Records Law.

The enclosed document entitled "The Settlement Process" provides additional information for your consideration.

Respectfully,



Selina Barnes, Manager  
Regulation Division  
503.378.4637

Enc.

A copy of "The Settlement Process"; a copy of the Investigative Report dated July 8, 2013.

cc: David C. Allen, attorney