

Oregon Real Estate News-Journal

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Agency Improving Customer Service with Live Receptionist

February 28, 2013

The next time you call the Oregon Real Estate Agency, expect to talk to a real, live person. The Agency has hired a full-time receptionist with the goal of having most phone calls answered live during business hours.

When your call comes in, the receptionist may ask you a few questions. Then the call is transferred to a staff member who can help you. If someone is not available to take your call, the receptionist will offer to take a message or transfer the call to voicemail.

This is just another example of the Agency changing the way it does business to improve customers' experiences. Other planned improvements for the future include posting available continuing education courses in eLicence and revising the Agency's website.

How do you feel about our recent changes? Please contact the Agency by [e-mail](#) to let us know.



Gene Bentley, Oregon Real Estate Commissioner

Initial Agency Disclosure Pamphlet Revised

The Oregon Real Estate Agency has revised the Initial Agency Disclosure Pamphlet to reflect the current laws regarding agency relationships. Brokers and principal brokers must provide a copy of the Pamphlet to each consumer the licensee will represent.

[Read more...](#)

Principal Broker Best Practices Guide Available

March 25, 2013

The Association of Real Estate License Law Official (ARELLO) released [A Broker's Guide to Creating a Policy and Procedure Manual](#). The guide provides recommendations to principal brokers who operate brokerages.

A task force of real estate regulators from the United States and Canada developed the manual. Some terms used in the guide are not consistent with Oregon's real estate license law. For example, "supervising brokers" are considered "principal brokers" in Oregon.

The recommendations found in the manual are NOT mandated by the Oregon Real Estate Agency. Although the Oregon Real Estate Board feels this document can be useful, the Board advises principal brokers to refer to [Oregon Revised Statute Chapter 696](#) and [Oregon Administrative Rules Chapter 863](#) for legal requirements specific to this state.

Licensees who have questions about developing a policy and procedure manual should seek legal advice.

Next Board Meeting in Salem

The [Oregon Real Estate Board](#) will be holding its next meeting at 10 a.m. on Monday, April 1, 2013 in Salem. See the [Agency's website](#) for additional information.

All [Board meetings](#) are open to the public.

Changes to Education and Exams Affect License Applicants

February 25, 2013

The Oregon Real Estate Agency, with help from PSI, revised all real estate license examinations in 2012. At the same time, the Agency updated all pre-license and post-license education course content to reflect the changes to the exams.

The new exam and course content outlines became effective January 1, 2013.

Applicants who started the licensing process in 2012, but have not yet met [all the licensing requirements](#), should read the information below.

Applicants Who Want a Broker License

If you completed one or more of the required courses in 2012, but did not finish all seven courses: The courses you completed will still count toward the broker license education requirements.

If the Agency approved your school to offer pre-license courses after December 31, 2012, then complete the remaining courses. The school will then make you eligible to take the licensing exam.

If the Agency has not approved your school to offer pre-license courses after December 31, 2012, then you should contact your school to check the status of its courses. You may wait for your school's approval, or find another school from whom to take the remaining courses.

You need to be aware that the new 2013 exam content will not align exactly with courses you completed prior to January 1, 2013. See the [Candidate Information Bulletin](#) for a description of the current license examination.

If you completed all seven courses in 2012, but have not passed both sections of the broker license exam: Those courses still meet the education requirements for a broker license. However, the new 2013 license exam content does not align exactly with 2012 course content. See the [Candidate Information Bulletin](#) for a description of the current license examination.

If you have not yet started the required courses: Choose a [real estate school or community college](#) from the current approved list.

Brokers Who Want a Principal Broker License

If you started the 40-hour Brokerage Administration and Sales Supervision (BASS) course in 2012 but did not finish the course: You will need to start your education over again by choosing a [certified continuing education provider](#) who is currently approved to offer BASS.

If you completed the 40-hour Brokerage Administration and Sales Supervision (BASS) course in 2012, but have not passed the principal broker license exam: You can still use the course to meet license requirements. However, you should be aware that the new 2013 exam content does not align exactly with the content of the course you completed. See the [Candidate Information Bulletin](#) for a description of the current license examination.

If you have not yet started the required course: Choose a [certified continuing education provider](#) approved by the Agency to offer the BASS course.

Applicants Who Want a Property Manager License

If you started the 60-hour Property Manager, course in 2012 but did not finish the course: You will need to start your education over again by choosing a [real estate school or community college](#) currently approved to offer the Property Manager pre-license course.

If you completed the 60-hour Property Manager course in 2012, but have not passed the property manager license exam: You can still use the course to meet license requirements. However, you should be aware that the new 2013 exam content does not align exactly with the content of the course you completed. See the [Candidate Information Bulletin](#) for a description of the current license examination.

If you have not yet started the required course: Choose a [real estate school or community college](#) from the current list approved by the Agency to offer the required education.

Active Renewal Requires Continuing Education, New Brokers and Property Managers Need Advanced Practices

September 07, 2012

All real estate licensees need to take 30 hours of continuing education during the licensing period before an active license renewal. Licensing periods generally run two years, but first-time license renewals can be as short as 13 months.

Courses must be taken from [Certified Continuing Education Providers](#).

Note: The Law and Rules Required Course (LARRC) is a specific course. The content of LARRC is approved by the Oregon Real Estate Board. Only three-hour courses called "Law and Rule Required Course" offered by certified continuing education providers will count toward the LARRC requirement.

Brokers Renewing Active for First Time

Brokers renewing active for the first time must do one of the following:

- Take the 30-hour Advanced Real Estate Practices (AP) that contains the 3-hour LARRC course prior to January 1, 2013, or
- Take the new 27-hour Broker Advanced Practices course (see [Exam and Education Content Changes Effective January 1, 2012](#)) and the 3-hour LARRC course.

Property Managers Renewing Active for the First Time

Property managers renewing active for the first time on or after January 1, 2013 must take the new 27-hour Property Manager Advance Practices course (PMAP) and the 3-hour LARRC course.

Brokers, Principal Brokers and Property Managers Renewing Active (Not a First-Time Renewal)

Principal broker, brokers and property managers must complete the 3-hour LARRC course and at least 27 hours of eligible continuing education for each license renewal.

CE Record Keeping Requirements for Licensees

Real estate brokers, principal brokers and property managers must keep their own records of continuing education. All certificates of attendance and a completed [Continuing Education Record form](#) must be kept for three years after the license renewal date for which the continuing education hours were used.

Licensees are required to provide copies of the certificates of attendance and/or the Continuing Education Record form upon request by the Agency. Do not send certificates of attendance or the Continuing Education Record form to the Agency unless the Agency asks for them. The Agency does plan to conduct random audits of licensees' continuing education records in the near future.

Inactive Licensees

Licensees are not required to complete continuing education for inactive license renewal. Within the two years prior to reactivating a license, the licensee must complete at least 27 hours of continuing education *and* the three-hour Law and Rule Required Course.

Remembering Donn

February 28, 2013

On October 19, 2012, Oregon Real Estate Agency Investigator/Auditor Donald Barrett passed away.



Donn's career with the Agency began in August 2008, after retiring as an Auditor with Emery Air Freight. Donn enjoyed his position with the Agency and loved the challenge of the investigations. It did not take him long to become

proficient at his work and dive into a significant caseload. Having set the professional bar high, he encouraged his colleagues to continually develop their skills and knowledge as well.

He was excellent with communicating with others and very respectful to all. Donn was always available to discuss cases and great at giving perspective, especially through his fondness of a good debate.

But it wasn't just his professional demeanor, but the overall person that we miss and admired the most. Donn was fun to be around and a natural storyteller. We all enjoyed hearing about his trips to Ireland, where he visited his second home annually. We are going to be talking about him for a long time, as it should be.

Donn is survived by his wife, four siblings, his daughter, and his seven granddaughters who called him "Bokey." Donn was a gentle man and a gentleman and it was an honor to have had him in our lives.

Selina Barnes, Regulations Division Manager

Agency Announces Staff Changes

February 28, 2013

Linda Macpherson, Administrative Specialist retired effective September 28th, 2012. Ms. Macpherson came to the Agency in 1997 as an Office Coordinator from the Department of Administrative. Her presence at the Agency will be missed.

Ruslan (Rus) Putintsev joined the Business and Licensing Services Division, effective July 27, 2012, as a full-time, temporary, Public Service Representative. Mr. Putintsev holds a Bachelor of Science degree in Public Policy and Administration, with a minor in Legal Studies, from Western Oregon University.

The Agency wishes Ms. Macpherson well, and welcomes Mr. Putintsev.

Administrative Actions

The Agency is required by Oregon Real Estate License Law to publish disciplinary actions. (ORS 696.445) Administrative actions from August 25, 2012 to December 31, 2012 are as follows.

Click any name to view the full administrative action. Click the name at the top of any final order to return to this section.

[Betker, Larry](#)
[Bland, Tom](#)
[Bradley, Teresa](#)
[Broughton, Charles L.](#)
[Campbell, Paul](#)
[Carrington, Susan](#)
[Divers, Jeff](#)
[Elliott, Hank](#)
[Florum, Jinean Alice](#)
[Hayden, Lauralene](#)
[Hoyt, Christopher](#)
[Jones, Archie](#)
[Knight, Jeffrey](#)
[Lee, Ronny J.](#)
[Lynch, Cheryl](#)
[Maple, Rita](#)
[McCartney, H. Scott](#)
[McGregor, John](#)
[Morris, Erika](#)

Petrusha, Eugene Y.
Rappold, Troy
Ripley, Jiwan
Rumpakis, Mike
Sammons, Robert
Shanks, Derek
Smith, Darlene A.
Smith, Randy
Unger, Randy
Williams, Patricia Ann

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

4 In the Matter of the Unlicensed Professional)
5 Real Estate Activity of)
6)
7 LARRY BETKER)
8 _____)

ORDER ON DEFAULT

9 1.

10 1.1 On November 15, 2012, the Real Estate Commissioner issued, by certified mail,
11 a notice of intent to levy civil penalty against Larry Betker (Betker). The Real Estate Agency
12 (OREA) sent the notice of intent to Betker's last known address of record with the OREA. The
13 notice of intent was also mailed to Betker by regular first class mail in a handwritten envelope.

14 1.2 Both the certified mailing and the first class mailing of the notice of intent have
15 been returned to OREA.

16 1.3 Over twenty (20) days have elapsed since the mailing of the notice issued in this
17 matter and no written request for hearing has been received.

18 1.4 Copies of the entire investigation file are designated as the record for purposes
19 of default, including any submission from respondent and all information in the administrative
20 file relating to the mailing of notices and any responses received.

21 2.

22 Based upon the foregoing and upon a review of the above described investigation
23 reports, documents and files, the Real Estate Commissioner finds:

24 2.1 Oregon Administrative Rule 863-001-0006 states, in part, that a notice of intent is
25 properly served when deposited in the United States mail, registered or certified mail,
26 addressed to the respondent at the respondent's last known address of record with OREA.

27 2.2 Betker's last known address of record with OREA was 21324 Hwy 20 #202,
28 Bend, Oregon, 97701.

29 2.3 A certified mailing of the notice of intent was mailed to Betker at his last known
30 address of record on November 15, 2012.

1 IN ADDITION, Betker shall immediately cease and desist from engaging in any
2 professional real estate activity as defined in ORS 696.010(15)(a) to (n).

3
4 Dated this 11th day of December, 2012.

5
6 OREGON REAL ESTATE AGENCY

7
8 

9
10 _____
11 GENE BENTLEY
12 Real Estate Commissioner

13 DATE of service: 12/17/12

14
15 NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by
16 filing a petition for review within 60 days from the date of service of this order. Judicial review
17 is pursuant to the provisions of ORS 183.482.

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

4 In the Matter of the Unlicensed Professional)
5 Real Estate Activity of)

6)
7 TOM BLAND)
8 _____)

ORDER ON DEFAULT

9 1.

10 1.1 On September 13, 2012, the Real Estate Commissioner issued, by certified mail,
11 a notice of intent to levy civil penalty against Tom Bland (Bland). The Real Estate Agency
12 (OREA) sent the notice of intent to Bland's last known address of record with the OREA. The
13 notice of intent was also mailed to Bland by regular first class mail in a handwritten envelope.

14 1.2 The certified mailing was signed as received by Dana Bland on September 14,
15 2012. The first class mailing was not returned to OREA.

16 1.3 Over twenty (20) days have elapsed since the mailing of the notice issued in this
17 matter and no written request for hearing has been received.

18 1.4 Copies of the entire investigation file are designated as the record for purposes
19 of default, including any submission from respondent and all information in the administrative
20 file relating to the mailing of notices and any responses received.

21 2.

22 Based upon the foregoing and upon a review of the above described investigation
23 reports, documents and files, the Real Estate Commissioner finds:

24 2.1 Oregon Administrative Rule 863-001-0006 states, in part, that a notice of intent is
25 properly served when deposited in the United States mail, registered or certified mail,
26 addressed to the real estate licensee or to any other person having an interest in a proceeding
27 before the Commissioner at the licensee's or other person's last known address of record with
28 OREA.

29 2.2 Bland's last known address of record with OREA was PO Box 861, Coos Bay,
30 Oregon, 97420.

1 3.7 Bland negotiated real estate listings and/or Sales Agreements with property
2 owners and potential buyers on at least 12 properties located in Eugene, North Bend, Coquille,
3 Coos Bay and Bandon, Oregon.

4 **Violations:** ORS 696.020(2), which states that an individual may not engage in
5 professional real estate activity within this state unless the individual holds an active license.

6 ORDER

7 IT IS HEREBY ORDERED that, pursuant to ORS 696.990 and based upon the
8 violations set forth above, Bland pay a civil penalty in the sum of \$11,500, said penalty to be
9 paid to the General Fund of the State Treasury by paying the same to OREA.

10
11 Dated this 8th day of October, 2012.

12
13 OREGON REAL ESTATE AGENCY

14
15 
16 _____
17 GENE BENTLEY
18 Real Estate Commissioner
19

20 DATE of service: 10-8-12

21
22 NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by
23 filing a petition for review within 60 days from the date of service of this order. Judicial review
24 is pursuant to the provisions of ORS 183.482.

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

4 In the Matter of the Real Estate License of)
5)
6 TERESA BRADLEY) STIPULATED FINAL ORDER
7)
8)

9
10 The Real Estate Agency (OREA) and Teresa Bradley (Bradley) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT

13 1.

14 1.1 At all times mentioned herein, Bradley was licensed as a principal broker with
15 Signature Real Estate, Inc.

16 1.2 On May 18, 2010, OREA received a complaint against Bradley from Bonnie Giles
17 (Giles), who was an owner of property Bradley managed between April 2006 and February
18 2010. Giles alleged multiple issues of Bradley commingling funds while Bradley was
19 managing Giles' properties. Giles identified four clients' trust accounts maintained by Bradley
20 which held funds for Giles and her tenants: Creekside security deposits (Creekside security),
21 Creekside operating, San River security deposits (San River security) and San River
22 operating.

23 1.3 On June 14, 2010, OREA opened a second investigation due to non-response by
24 Bradley to a request for the March 2010 reconciliation documents for her multiple owner
25 "Clients Trust Account-pooled property management account" (pooled CTA). OREA had
26 mailed a letter on April 1, 2010, requesting the reconciliation documents be submitted by May
27 17, 2010.

28 1.4 During the course of the subsequent investigation, multiple violations were found.

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2.
FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

2.1 For the pooled CTA Bradley maintained, the following violations were found:

2.2 Bradley failed to record a banking transfer from March 4, 2010, on her check register for the pooled CTA for the February 2010 management fees.

2.3 Bradley failed to record an analysis service charge from March 12, 2010, on her pooled CTA check register.

Violations: OAR 863-025-0040(2) (2009 Edition, 1/1/09), which requires that a check register document all funds received and disbursed by a property manager, and OAR 863-025-0040(5) (2009 Edition, 1/1/09), which requires that, upon any activity, the property manager must record each receipt, deposit or disbursement on their check register and on the corresponding owner's ledger and/or tenant's ledger. (2 counts)

2.4 Bradley failed to disburse, at least once each month and when sufficient funds existed, earned management fees from the San River operating account in January, February, November and December of 2009.

Violation: OAR 863-025-0025(15) (2009 Edition, 1/1/09), which requires that a property manager disburse earned management fees from clients' trust accounts at least once each month if sufficient funds are available. (4 counts)

2.5 Bradley delayed disbursement of earned management fees from the pooled CTA for March 2010 and June 2011, keeping funds in the account to cover bank charges and other charges not agreed to in the property management agreement, and offsetting those expenses against her income, yet failed to document the traceability of her entries.

Violation: ORS 696.241(9) (2009 Edition and 2011 Edition) and OAR 863-025-0065(3) and 863-025-0025(3)(a) (2009 Edition and 4/15/11 Edition), which prohibits a principal real estate broker from knowingly keeping any funds in a clients' trust account that belongs to their clients except actual trust funds, and prohibits any funds received on behalf of a property owner to be comingled with personal funds of the property manager. (2 counts)

1 2.6 Bradley failed to timely reconcile the pooled CTA for March 2010 and June 2011,
2 and was unable to identify and explain the difference between the reconciled bank balance,
3 check register balance, and owners' ledger balance totals, including corrective action taken.

4 **Violation:** OAR 863-025-0025(20) (2009 Edition and 4/15/11 Edition), which requires
5 that a property manager reconcile each clients' trust account within 30 calendar days of the
6 date of the bank statement. (2 counts)

7 2.7 Bradley disbursed funds from the pooled CTA for an owner with two properties,
8 which resulted in a balance of -\$1,051.27 at the end of the February 2010.

9 **Violation:** OAR 863-025-0025(12) (2009 Edition, 1/1/09), which prohibits a property
10 manager from disbursing funds from a clients' trust account unless there are sufficient funds in
11 the account.

12 2.8 Bradley failed to establish a sufficient audit trail by making an electronic
13 withdrawal on March 1, 2010, to NW Natural for \$189.95 as recorded on the pooled CTA bank
14 statement and instead posted check number #5788 to the check register payable to NW
15 Natural for \$189.95.

16 **Violation:** OAR 863-025-0040(9) (2009 Edition, 1/1/09), which requires that a property
17 manager engaging in electronic banking transactions must record those transactions sufficient
18 to establish an audit trail.

19 2.9 Bradley issued computer-generated checks from the pooled CTA that were not
20 consecutively numbered.

21 **Violation:** OAR 863-025-0025(11)(b) (2009 Edition, 1/1/09), which requires that if a
22 property manager uses computer generated checks, they must be numbered consecutively.

23 2.10 Bradley had two deposits in the pooled CTA that were outstanding longer than 30
24 days on her "uncleared" deposits and credits from her June 2011 reconciliation detail ledger.

25 **Violation:** OAR 863-025-0065(1) (2011 Edition, 4/15/11), which requires that all funds
26 belonging to others and accepted by a property manager be deposited prior to the close of
27 business on the fifth banking day following the date of receipt of the funds. (2 counts)

28 2.11 Bradley disbursed funds four times in June 2011 from the pooled CTA, resulting
29 in negative balances on four owners' ledgers.

30

1 **Violation:** OAR 863-025-0025(12) (2011 Edition, 4/15/11), which prohibits a property
2 manager from disbursing funds from a clients' trust account unless there are sufficient funds in
3 the account. (4 counts)

4 2.12 In maintaining clients' trust accounts for owner funds for Creekside, Bradley did
5 not meet the requirement of having open accounts labeled as "Clients' Trust Account" on all
6 bank records and checks.

7 **Violation:** ORS 696.241(1) (2009 Edition) and OAR 863-025-0025(11)(c) (2009 Edition,
8 1/1/09), which requires that each principal real estate broker shall maintain one or more
9 separate bank accounts that shall be designated clients' trust account in which all trust funds
10 received or handled by the broker shall be deposited. Clients' trust account is defined as a
11 federally insured bank account labeled as "Clients' Trust Account" on all bank records and
12 checks that is established and maintained by a property manager acting on behalf of an owner
13 under a property management agreement for depositing, holding and disbursing funds
14 received by the property manager on behalf of an owner.

15 2.13 In maintaining clients' trust accounts for security deposits held for Creekside,
16 Bradley did not meet the requirement of having open accounts labeled as "Clients' Trust
17 Account- Security Deposits" on all bank records and checks.

18 **Violation:** ORS 696.241(1) and OAR 863-025-0025(11)(d) (2009 Edition, 1/1/09)),
19 which requires that each principal real estate broker shall maintain one or more separate bank
20 accounts that shall be designated clients' trust account in which all trust funds received or
21 handled by the broker shall be deposited. Security deposit account is defined as a federally
22 insured bank account labeled as "Clients' Trust Account-Security Deposits" on all bank records
23 and checks that is established and maintained by a property manager acting on behalf of an
24 owner under a property management agreement for depositing, holding and disbursing
25 security deposit funds on behalf of an owner.

26 2.14 Bradley demonstrated non-compliance with the Creekside security account
27 requirements as follows: a) On November 17, 2009, posted the check register of the Creekside
28 operating CTA for the deposit of security deposit funds in the amount of \$100.00; b) On
29 November 30, 2009, posted the check register of the Creekside operating CTA for the transfer
30 of the security deposit funds; c) On November 30, 2009, posted the check register of the

1 Creekside security deposits CTA for deposit of security deposit funds of \$100.00; d) On
2 December 10, 2009, presented the deposit at the bank and completed transfer to the
3 Creekside security deposits CTA in the amount of \$100.00.

4 **Violation:** OAR 863-025-0030(1) and (2), 863-025-0040(5), and 863-025-0050 (2009
5 Edition, 1/1/09), which requires that all tenants' security deposits received by a property
6 manager must be deposited and maintained in a security deposits account; that if the security
7 deposit is received as part of a larger deposit, the security deposit must be deposited in the
8 security deposits account within three banking days.

9 2.15 Bradley demonstrated non-compliance with Creekside security CTA funds
10 requirements as follows: a) On January 19, 2010, deposited into the Creekside operating CTA
11 security deposit funds from Castro of \$100.00; b) On February 1, 2010, deposited into the
12 Creekside operating CTA security deposit funds from Castro of \$30.00; c) On February 20,
13 2010, posted the check register of the Creekside security deposits CTA for deposit of security
14 deposit funds of \$130.00 with reference to check 1530; d) On February 20, 2010, posted on
15 the Creekside operating CTA for the \$130.00 transfer; and, e) On March 2, 2010, presented
16 check 1530 at the bank and completed transfer to the Creekside security deposits CTA in the
17 amount of \$130.00.

18 **Violation:** OAR 863-025-0030(1) and (2), 863-025-0040(5), and 863-025-0050 (2009
19 Edition, 1/1/09), which requires that all tenants' security deposits received by a property
20 manager must be deposited and maintained in a security deposits account; that if the security
21 deposit is received as part of a larger deposit, the security deposit must be deposited in the
22 security deposits account within three banking days; that upon any activity, the property
23 manager must record each receipt, deposit or disbursement on the corresponding owner's
24 ledger and/or tenant's ledger; and that a property manager must maintain at least one tenant's
25 ledger for each tenant, as defined in 863-025-0050(4) and must maintain a separate record of
26 the receipt of funds from prospective tenants.

27 2.16 On January 29, 2010, Bradley earned and disbursed interest in the Creekside
28 security deposits CTA and the San River security deposits CTA, but did not post these items to
29 the check registers.

1 **Violation:** OAR 863-025-0040(5) (2009 Edition, 1/1/09), which requires that upon any
2 activity, the property manager must record each receipt, deposit or disbursement on the
3 corresponding owner's ledger and/or tenant's ledger.

4 2.17 Bradley failed to reconcile the Creekside security deposits CTA for the July 2009
5 to March 2010 time period, and did not identify and explain the difference between the
6 reconciled bank balance, check register balance, and the sum of all positive balances of
7 individual security deposits held, including corrective action taken.

8 **Violation:** OAR 863-025-0025(21) (2009 Edition, 1/1/09), which requires that a property
9 manager reconcile each security deposits account with 30 calendar days of the bank
10 statement date. (9 counts)

11 2.18 Bradley failed to disburse, at least once each month and when sufficient funds
12 existed, earned management fees from the Creekside operating CTA for December of 2009
13 and January of 2010.

14 **Violation:** OAR 863-025-0025(15) (2009 Edition, 1/1/09), which requires that a property
15 manager disburse earned management fees from the clients' trust account at least once each
16 month, unless a different schedule of disbursement is specified in the property management
17 agreement. (2 counts)

18 2.19 In maintaining clients' trust accounts for owner funds for San River, Bradley did
19 not meet the requirement of having open accounts labeled as "Clients' Trust Account" on all
20 bank records and checks.

21 **Violation:** ORS 696.241(1) (2009 Edition) and OAR 863-025-0025(11)(c) (2009 Edition,
22 1/1/09), which requires that each principal real estate broker shall maintain one or more
23 separate bank accounts that shall be designated clients' trust account in which all trust funds
24 received or handled by the broker shall be deposited. Clients' trust account is defined as a
25 federally insured bank account labeled as "Clients' Trust Account" on all bank records and
26 checks that is established and maintained by a property manager acting on behalf of an owner
27 under a property management agreement for depositing, holding and disbursing funds
28 received by the property manager on behalf of an owner.

1 2.20 In maintaining clients' trust accounts for security deposits held for San River,
2 Bradley did not meet the requirement of having open accounts labeled as "Clients' Trust
3 Account- Security Deposits" on all bank records and checks.

4 **Violation:** ORS 696.241(1) and OAR 863-025-0025(11)(d) (2009 Edition, 1/1/09)),
5 which requires that each principal real estate broker shall maintain one or more separate bank
6 accounts that shall be designated clients' trust account in which all trust funds received or
7 handled by the broker shall be deposited. Security deposit account is defined as a federally
8 insured bank account labeled as "Clients' Trust Account-Security Deposits" on all bank records
9 and checks that is established and maintained by a property manager acting on behalf of an
10 owner under a property management agreement for depositing, holding and disbursing
11 security deposit funds on behalf of an owner.

12 2.21 Bradley demonstrated non-compliance with San River security CTA fund
13 requirements as follows: a) On November 6, 2009, deposited into the San River operating CTA
14 security deposit funds from Esparza of \$20.00; b) On November 17, 2009, deposited into the
15 San River operating CTA security deposit funds from Boland of \$215.00; c) On November 30,
16 2009, posted the check register of the San River security deposits CTA for deposit of security
17 deposit funds of \$235.00 with reference to check 1533; d) On November 30, 2009, posted the
18 check register for the San River operating CTA for the transfer; and e) On December 7, 2009,
19 presented check 1533 at the bank and completed transfer to the San River security deposits
20 CTA, in the amount of \$235.00.

21 **Violation:** OAR 863-025-0030(1) and (2), 863-025-0040(5) (2009 Edition), and 863-
22 025-0050 (2009 Edition, 1/1/09), which requires that all tenants' security deposits received by
23 a property manager be deposited and maintained in a security deposits account; that if the
24 security deposit is received as part of a larger deposit, the security deposit must be deposited
25 in the security deposits account within three banking days; that upon any activity, the property
26 manager must record each receipt, deposit or disbursement on the corresponding owner's
27 ledger and/or tenant's ledger; and that a property manager must maintain at least one tenant's
28 ledger for each tenant, as defined in 863-025-0050(4), and must maintain a separate record of
29 the receipt of funds from prospective tenants.

1 2.22 Despite no change in security deposits received in December 2009, Bradley
2 posted a journal entry of \$226.00 on December 30, 2009, on the check register for the San
3 River security deposits CTA.

4 **Violation:** ORS 696.301(12) (2009 Edition), which states that a licensee may be
5 disciplined if they demonstrate incompetence in performing any act for which the licensee is
6 required to hold a license.

7 2.23 Bradley failed to reconcile the San River security deposits CTA for the July 2009
8 to March 2010 time period, and did not identify and explain the difference between the
9 reconciled bank balance, check register balance, and the sum of all positive balances of
10 individual security deposits held, including corrective action taken.

11 **Violation:** OAR 863-025-0025(21) (2009 Edition, 1/1/09), which requires that a property
12 manager reconcile each security deposits account within 30 calendar days of the bank
13 statement date. (9 counts)

14 2.24 Bradley kept forfeited security deposits, detailed in the letter dated April 20, 2009
15 to tenant Dassance, in the San River security deposits CTA until March 15, 2010, and failed to
16 disburse a balance of \$337.00 in the account after forwarding all security deposit funds to the
17 new property management company, Mid-Valley.

18 **Violation:** OAR 863-025-0025(6) and 863-025-0070(2) (2009 Edition, 1/1/09), which
19 mandates that the only funds that may be held in a security deposits account are security
20 deposits and interest earned on the security deposits account, and requires that all obligated
21 funds be disbursed to the owner within 60 days of the termination of a property management
22 agreement, unless otherwise instructed in writing by the owner to transfer the funds to another
23 property manager.

24 2.25 Bradley verbally agreed to amend the property management agreements with
25 Giles to authorize use of petty cash funds instead of obtaining a written amendment to the
26 agreement.

27 **Violation:** OAR 863-025-0020(4) (2009 Edition, 1/1/09), which requires that any
28 amendment or addendum to a property management agreement must be in writing.

29 2.26 Bradley kept Giles' funds in the petty cash account, gave Giles a month-end
30 balance of petty cash, but failed to maintain records of the use of petty cash in a format that

1 readily enabled tracing and reconciliation, including whether the check register of the
2 Creekside operating CTA and San River operating CTA reflected activity in the petty cash
3 account.

4 **Violation:** OAR 863-025-0035(3)(b) and 863-025-0040(5) and (6) (2009 Edition,
5 1/1/09), which requires that posting of owner and tenant ledgers must be maintained in a
6 format that will readily enable tracing and reconciliation; requires that upon any activity, the
7 property manager must record each receipt, deposit or disbursement on the corresponding
8 owner's ledger and/or tenant's ledger; and allows a property manager to aggregate individual
9 deposits or disbursements only if they are aggregated on a daily basis and a separate report is
10 maintained detailing each aggregated deposits and disbursements.

11 2.27 Bradley maintained the San River operating CTA and Signature petty cash
12 account, and held non-trust funds in a trust account.

13 **Violation:** ORS 696.241(9)(2009 Edition), which states that a principal real estate
14 broker may not knowingly keep any funds or money in any clients' trust account, except actual
15 trust funds received by the broker.

16 2.28 Between at least September 13, 2011 and October 18, 2011, Bradley kept
17 records stored offsite, but did not notify OREA of the removal of the documents, including the
18 location of the files and authorization to examine the files.

19 **Violation:** ORS 696.280 (2009 Edition) and OAR 863-015-0260(1)(a) and (b)(A) and
20 (B) (2011 Edition, 9/1/11), which requires that a real estate broker maintain in this state
21 complete and adequate records of all professional real estate activity, that the records must at
22 all times be open for inspection by OREA, and that the principal real estate broker must notify
23 OREA in writing of the address where the records will be stored and if the address where the
24 records are stored changes.

25 2.29 Bradley failed to disburse \$100 from the Creekside security deposits CTA after
26 transfer of security deposit funds to the new property management company, Mid-Valley
27 Management (Mid-Valley).

28 **Violation:** OAR 863-025-0070(2)(a) (2009 Edition, 1/1/09), which requires that all
29 obligated funds be disbursed to the owner within 60 days of the termination of a property
30

1 management agreement, unless otherwise instructed in writing by the owner to transfer the
2 funds to another property manager.

3 3.

4 3.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.
5 Based on these violations, OREA proposes to suspend Bradley's real estate license. A
6 suspension is appropriate under ORS 696.396(2)(c)(B), which states that a license may be
7 suspended if the material facts show that the licensee exhibited incompetence in the
8 performance of professional real estate activity.

9 3.2 OREA reserves the right to investigate and pursue additional complaints that
10 may be received in the future regarding this licensee.

11 STIPULATION & WAIVER

12 I have read and reviewed the above findings of fact and conclusions of law which have
13 been submitted to me by OREA and further, the order which follows hereafter. I understand
14 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and
15 complete agreement and stipulation between OREA and me. I further understand that if I do
16 not agree with this stipulation I have the right to request a hearing on this matter and to be
17 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
18 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and
19 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
20 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
21 judicial review of this matter.

22 I hereby agree and stipulate to the above findings of fact and conclusions of law and
23 understand that the order which follows hereafter may be completed and signed by the Real
24 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
25 amended notice of intent may be issued in this matter. I understand that, in accordance with
26 the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
27 Estate News Journal.

28 ORDER

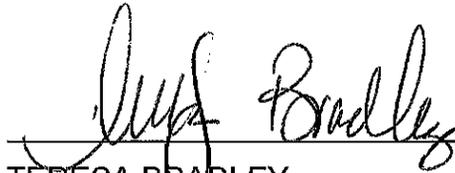
29 IT IS HEREBY ORDERED that Bradley's license be suspended for 60 days beginning
30 October 1, 2012. In addition, Bradley must complete the 60 hour property manager pre-

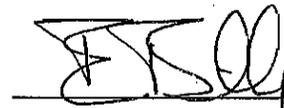
1 licensing course before her license can be activated following the suspension, and she must
2 provide documentation to OREA when she has done so.

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IT IS SO STIPULATED:

IT IS SO ORDERED:


TERESA BRADLEY


GENE BENTLEY
Real Estate Commissioner

Date August 28, 2012

Date 9.7.12

DATE of service: 9-7-12

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

4 In the Matter of the Real Estate License of)
5)
6 CHARLES L. BROUGHTON) STIPULATED FINAL ORDER
7)
8 _____)
9

10 The Real Estate Agency (OREA) and Charles L. Broughton (Broughton) do hereby
11 agree and stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Broughton was licensed as a real estate broker
17 with Baker City Realty, Inc.

18 1.2 On May 23, 2011, OREA received a complaint from Dan Brassard (Brassard)
19 alleging that Broughton had: a) violated signed escrow instructions and withdrew \$55,418 from
20 a holdback account 45 days after he signed documents which stated that all disbursements
21 from the holdback account would be at the written permission of the lenders, b) sold a portion
22 of Tax Lot 2000, Baker City, Oregon via a Quitclaim Deed to Homer and Karen Talbert
23 (Talberts) knowing there were two liens against the property and a clear title could not be
24 obtained, and c) signed an easement granting Baker City, Oregon an easement on Tax Lot
25 2000, knowing there were two liens against the property and a clear title could not be obtained.
26 The subsequent investigation found the following violations.

27 1.3 Broughton failed to disclose in writing to the Talberts that he was a real estate
28 licensee at the outset of their purchase of a portion of land at 1290 'D' Street, Baker City,
29 Oregon (subject property).
30

1 **Violation:** OAR 863-015-0145(1) (2008 Edition), which states that a real estate licensee
2 may not conduct professional real estate activity on their own behalf without disclosing in
3 writing on at least the first written document of agreement to the other party to the transaction
4 that the individual is a real estate licensee.

5 1.4 Broughton failed to disclose to his principal broker at Rustic Realty of his
6 participation as a principal in the sale transaction to the Talberts of the subject property.

7 **Violation:** OAR 863-015-0145(3) (2008 Edition), which states that any transaction
8 conducted on a real estate broker's own behalf must be conducted under the supervision of
9 and all documents and funds transmitted through the licensee's principal broker.

10 1.5 Broughton failed to disclose to the Talberts at the outset of the sale to them of
11 the subject property that there were two previous liens against the property and that the
12 property had gone into foreclosure.

13 **Violations:** ORS 696.301(12) and (14) (2007 Edition), which states that a real estate
14 licensee may be disciplined if they demonstrate incompetence or untrustworthiness in
15 performing any act for which the licensee is required to hold a license, and/or, if they commit
16 an act of fraud or engage in dishonest conduct substantially related to the fitness of the
17 licensee to conduct professional real estate activity.

18 1.6 Broughton failed to provide the Talberts, in a timely manner, a Quit Claim Deed
19 to the subject property they purchased from him.

20 **Violation:** ORS 696.301(14) (2007 Edition), which states that a real estate licensee
21 may be disciplined if they commit an act of fraud or engage in dishonest conduct substantially
22 related to the fitness of the licensee to conduct professional real estate activity.

23 1.7 Broughton failed to obtain written authorization to sell any portion of the subject
24 property from the members of O&R, LLC, who owned the subject property.

25 **Violation:** ORS 696.301(14) (2007 Edition), which states that a real estate licensee
26 may be disciplined if they commit an act of fraud or engage in dishonest conduct substantially
27 related to the fitness of the licensee to conduct professional real estate activity.

28 1.8 Broughton failed to disclose to Brassard that he had sold portions of the subject
29 property to the Talberts and to the City of Baker City, when Brassard purchased the Warranty
30 Deed from O&R, LLC.

1 IT IS FURTHER ORDERED that at the conclusion of Broughton's suspension, and upon
2 written request, Broughton be issued a real estate broker's license with limitations as set forth
3 below:

- 4 (a) The limited license period shall be until all of the following conditions have been
5 met;
- 6 (b) Broughton shall not violate any license law or rule during the limited license term;
- 7 (c) Broughton shall be required to give a copy of this Order to any principal broker
8 through whom he is licensed during the limited license term, prior to licensing, and the principal
9 broker shall acknowledge receiving a copy of this Order in writing to the OREA;
- 10 (d) Broughton continues to pay \$200 each month to the Talberts until paid in full;
- 11 (e) Broughton continues to pay \$50 each month to Brassard until paid in full;
- 12 (f) The employing principal broker shall immediately notify the OREA of any criminal
13 convictions or license law violations by Broughton during the limited license term, and
- 14 (g) The restrictions shall continue until Broughton (1) requests an unrestricted
15 license, in writing, and (2) Broughton's principal broker endorses Broughton for an unrestricted
16 license. OREA will conduct an inquiry on Broughton including, but not limited to, a check
17 through the Law Enforcement Data System. If OREA finds that there is no reason to continue
18 the limited license, an unrestricted license will be issued.

19 IT IS FURTHER ORDERED that, should Broughton violate any term or condition of this
20 Order, an additional 11 month suspension will be imposed, and will be effective immediately.

21
22 IT IS SO STIPULATED:

23
24 
25 _____
26 CHARLES L. BROUGHTON

27
28 Date 12-11-12

IT IS SO ORDERED:

29
30 

GENE BENTLEY
Real Estate Commissioner

Date 12.19.12

DATE of service: 12-19-12

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

4 In the Matter of the Real Estate License of)

5
6 PAUL CAMPBELL)

STIPULATED FINAL ORDER

7
8
9
10 The Real Estate Agency (OREA) and Paul Campbell (Campbell) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Campbell was licensed as a real estate broker with
17 Stellar Realty Northwest. Campbell is also licensed in Washington.

18 1.2 On February 21, 2012, OREA received a copy of an investigation report about
19 Campbell from the Washington Department of Licensing (WDOL) regarding a felony conviction
20 in Nevada in December of 2011. The subsequent investigation found the following violations.

21 1.3 On April 26, 2011, Campbell was pulled over by the Nevada Highway Patrol, who
22 discovered 38.36 pounds of marijuana in the trunk of Campbell's rental car. Campbell signed
23 a plea agreement on October 27, 2011, pleading guilty to possession of a controlled substance
24 for the purpose of sale. A judgment was entered on December 21, 2011, sentencing Campbell
25 to a suspended prison sentence of 12-32 months, and placing him on probation for an
26 "indeterminate period of time not to exceed 24 months." Campbell did not report this
27 conviction to OREA.

28 **Violations:** OAR 863-⁰¹⁵105-0175(1)(a), (3) and (4) (9/1/11 Edition), which requires that a
29 real estate licensee notify the commissioner of any felony or misdemeanor conviction within 20
30 calendar days after receiving written notification of the adverse judgment, and ORS

1 696.301(11) (2011 Edition), which states that a licensee may be disciplined if they have been
2 convicted of a felony or misdemeanor substantially related to the licensee's trustworthiness or
3 competence to engage in professional real estate activity.

4 1.4 In March of 2012, WDOL disciplined Campbell for "unprofessional conduct" due
5 to the above-referenced conviction and for failure to report the conviction to WDOL within 20
6 days as required by law. Campbell was given a one year suspension, which is stayed for 3
7 years if there are no violations, and was fined \$1,000. Campbell did not report this adverse
8 decision to OREA.

9 **Violation:** OAR 863-105-0175(1)(b), (3) and (4) (9/1/11 Edition), which requires that a
10 real estate licensee notify the commissioner of any adverse decision resulting from any
11 administrative proceeding in which the licensee was named as a party within 20 calendar days
12 after receiving written notification of the adverse judgment.

13 2.

14 OREA reserves the right to investigate and pursue additional complaints that may be
15 received in the future regarding this licensee.

16 **STIPULATION & WAIVER**

17 I have read and reviewed the above findings of fact and conclusions of law which have
18 been submitted to me by OREA and further, the order which follows hereafter. I understand
19 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and
20 complete agreement and stipulation between OREA and me. I further understand that if I do
21 not agree with this stipulation I have the right to request a hearing on this matter and to be
22 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
23 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and
24 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
25 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
26 judicial review of this matter.

27 I hereby agree and stipulate to the above findings of fact and conclusions of law and
28 understand that the order which follows hereafter may be completed and signed by the Real
29 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
30 amended notice of intent may be issued in this matter. I understand that, in accordance with

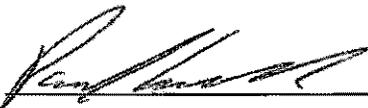
1 the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
2 Estate News Journal.

3 ORDER

4 IT IS HEREBY ORDERED that Campbell's license be suspended for 30 days,
5 beginning December 1, 2012.

6
7 IT IS SO STIPULATED:

IT IS SO ORDERED:

8
9
10 



11 PAUL CAMPBELL

GENE BENTLEY

Real Estate Commissioner

12
13 Date 10/31/2012

Date 11.6.12

14
15 DATE of service: 11-6-12

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

4 In the Matter of the Unlicensed Professional)
5 Real Estate Activity of)
6)
7 SUSAN CARRINGTON)
8 _____)

STIPULATED FINAL ORDER

9
10 The Real Estate Agency (OREA) and Susan Carrington (Carrington) do hereby agree
11 and stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Carrington was not licensed to conduct
17 professional real estate activity in Oregon.

18 1.2 On November 8, 2011, OREA received a complaint against Carrington from
19 Nick and Lisa Blodgett (the Blodgetts) regarding the rental of a vacation property located in
20 Bend, Oregon, which they rented through Carrington and her business, Dutch Bend Vacation
21 Rentals (DBVR). The subsequent investigation found the following violations.

22 1.3 Carrington created a rental agreement for the Blodgetts for 91 consecutive
23 days.

24 1.4 Carrington created a rental agreement for tenant "Jolene" for 72 consecutive
25 days.

26 1.5 Carrington created a rental agreement for tenant "Laundry" for 62 consecutive
27 days.

28 1.6 Carrington created a rental agreement for tenant "Barnett" for 221 consecutive
29 days.

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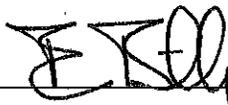
1 license within six (6) months from the date of this order, the civil penalty shall be \$1,600, and
2 will be due and payable no later than six (6) months from the date of this order.

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IT IS SO STIPULATED:

IT IS SO ORDERED:


SUSAN CARRINGTON


GENE BENTLEY
Real Estate Commissioner

Date 12/5/12

Date 12.12.12

DATE of service: 12-12-12

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

4 In the Matter of the Unlicensed Professional)
5 Real Estate Activity of)
6)
7 JEFF M DIVERS)
8 _____)

STIPULATED FINAL ORDER

9
10 The Real Estate Agency (OREA) and Jeff Divers (Divers) do hereby agree and stipulate
11 to the following:

12 FINDINGS OF FACT

13 1.

14 1.1 At all times mentioned herein, Divers was not licensed to conduct professional
15 real estate activity in Oregon.

16 1.2 On July 25, 2011, OREA received a complaint from Jeff and Jackie DeClue
17 (DeClues) that Divers had been conducting real estate activity without a license. The DeClues
18 also stated that Divers had acted on their behalf as a property manager to find a renter for their
19 home located at 8709 N Dana Street, Portland, Oregon, (subject property) and subsequently
20 sold the house to someone else without their knowledge.

21 1.3 On September 1, 2009, the DeClues signed an Agreement to Lease with Option
22 to Purchase with Divers for property he owned in Toledo, Oregon. Divers told the DeClues
23 that he would find a renter for their property in Portland, but they did not enter into a written
24 property management agreement.

25 1.4 On September 15, 2009, Divers prepared a sales agreement for the subject
26 property between Vivid Properties and the DeClues for \$175,000. This agreement was not
27 signed by the DeClues.

28 1.5 On October 13, 2009, Divers entered into a Real Estate Sales Contract for the
29 subject property for \$185,000 with the seller listed as Vivid Properties, LLC and the buyer as
30 Alan Lindgren (Lindgren). Divers owns 50% of Vivid Properties. This contract showed that

1 Lindgren paid Divers a \$10,000 down payment with monthly payments to Vivid Properties of
2 \$1,300.

3 1.6 Divers also prepared a month to month rental agreement for the subject property
4 between the DeClues and Lindgren, which Lindgren says he never signed.

5 1.7 From 2009 until approximately March of 2011, Lindgren was paying Divers
6 \$1,300 per month for the subject property and the DeClues were paying Divers \$650 per
7 month for the rental of the Toledo house. During this period of time, the DeClues were under
8 the impression that Lindgren was a renter of the subject property. Lindgren was under the
9 impression that Divers was the owner of the subject property and that he was purchasing the
10 home from Divers.

11 CONCLUSIONS OF LAW

12 2.

13 Divers advertised a property which he did not own for sale, entered into a sales
14 agreement for a property he did not own, and prepared and signed a sales agreement and a
15 rental contract for property he did not own.

16 **Violation:** ORS 696.020(2) (2009 Edition), which states that an individual may not
17 engage in professional real estate activity within this state unless the individual holds an active
18 license

19 STIPULATION & WAIVER

20 I have read and reviewed the above findings of fact and conclusions of law which have
21 been submitted to me by OREA and further, the order which follows hereafter. I understand
22 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and
23 complete agreement and stipulation between OREA and me. I further understand that if I do
24 not agree with this stipulation I have the right to request a hearing on this matter and to be
25 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
26 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and
27 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
28 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
29 judicial review of this matter.

30 ///

1 I hereby agree and stipulate to the above findings of fact and conclusions of law and
2 understand that the order which follows hereafter may be completed and signed by the Real
3 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
4 amended notice of intent may be issued in this matter.

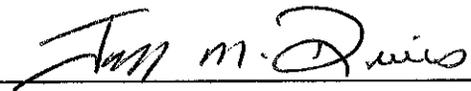
5 ORDER

6 IT IS HEREBY ORDERED that, pursuant to ORS 696.990 and based upon the violation
7 set forth above, Divers pay a civil penalty in the sum of \$2,500, said penalty to be paid to the
8 General Fund of the State Treasury by paying the same to OREA.

9 IT IS FURTHER ORDERED that Divers will immediately cease and desist from
10 engaging in any professional real estate activity as defined in ORS 696.010(15(a) to (n) unless
11 Divers first obtains a real estate license from the Real Estate Agency.

12
13 IT IS SO STIPULATED:

IT IS SO ORDERED:

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15
16 

17 JEFF M. DIVERS

18
19 Date 8/27/12

20
21
22 

23 GENE BENTLEY

24 Real Estate Commissioner

25 Date 9.4.12

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DATE of service: 9-5-12

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

4 In the Matter of the Real Estate License of)

5
6 HANK ELLIOTT)

NOTICE OF INTENT TO REPRIMAND
7
8

9
10 The Oregon Real Estate Agency (OREA) is the state agency responsible for licensing,
11 disciplining and regulating real estate licensees in Oregon. Hank Elliott (Elliott) is licensed by
12 OREA to conduct professional real estate activity in Oregon.

13 1.

14 OREA proposes to take disciplinary action against Elliott's real estate license and
15 alleges that the acts and conduct of Elliott described below constitute violations of Oregon
16 Revised Statutes and Oregon Administrative Rules as follows:

17 1.1 At all times mentioned herein, Elliott was licensed as a property manager doing
18 business under the registered business name of Juniper Property Management, Inc.

19 1.2 On November 19, 2010, OREA received a complaint from Rachel Birge (R Birge)
20 and Laurence "Corky" Birge (L Birge) against Erika Morris (Morris) and Laura Hayden
21 (Hayden), alleging that they had failed to protect their property, located at 5904 SW Badger,
22 Terrebonne, OR 97760 (Badger property). The subsequent investigation found the following
23 violations by Elliott.

24 1.3 Elliott entered into a property management agreement for the Badger property
25 between his property management company, Juniper Property Management, Inc. (JPM) and R
26 Birge on February 2, 2010. The property was owned by L Birge, not R Birge.

27 1.4 Elliott entered into a property management for the Badger property with R Birge,
28 who was not on title as an owner of the property.

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4.

Elliott is entitled to a hearing on this matter. The hearing is conducted by an Administrative Law Judge from the Office of Administrative Hearings on behalf of the Commissioner. In the event that Elliott desires such a hearing, Elliott must so notify the Commissioner, in writing, within 20 days from the date of the mailing of this notice. Submissions to OREA prior to the mailing date of this notice are not considered requests for hearing. At the hearing, Elliott may be represented by an attorney and present evidence and witnesses on Elliott's behalf. Hearings are conducted in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon. A Notice of Contested Case Rights and Procedures as required under ORS 183.413-415 is enclosed with this notice.

5.

If Elliott fails to request a hearing within 20 days, waives his right to a hearing, withdraws a hearing request, notifies OREA or the Administrative Law Judge that he will not appear, or fails to appear at the hearing as scheduled, OREA may issue a final order by default and impose the above sanctions against Elliott. Elliott's submissions to OREA to date regarding the subject of this disciplinary case and all information in OREA's files relevant to the subject of this case automatically become part of the evidentiary record of this disciplinary action upon default for the purpose of proving a prima facie case. ORS 183.415(6).

Dated this 5th day of November, 2012.

OREGON REAL ESTATE AGENCY



GENE BENTLEY

Real Estate Commissioner

Date of Service: 11/5/12

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

4 In the Matter of the Unlicensed Professional)
5 Real Estate Activity of)
6)
7 JINEAN FLOROM)
8 _____)

ORDER ON DEFAULT

9 1.

10 1.1 On November 15, 2012, the Real Estate Commissioner issued, by certified mail,
11 a notice of intent to levy civil penalty against Jinean Florum (Florum). The Real Estate Agency
12 (OREA) sent the notice of intent to Florum's last known address of record with the OREA. The
13 notice of intent was also mailed to Florum by regular first class mail in a handwritten envelope.

14 1.2 Neither the certified mailing or the first class mailing of the notice of intent have
15 been returned to OREA.

16 1.3 Over twenty (20) days have elapsed since the mailing of the notice issued in this
17 matter and no written request for hearing has been received.

18 1.4 Copies of the entire investigation file are designated as the record for purposes
19 of default, including any submission from respondent and all information in the administrative
20 file relating to the mailing of notices and any responses received.

21 2.

22 Based upon the foregoing and upon a review of the above described investigation
23 reports, documents and files, the Real Estate Commissioner finds:

24 2.1 Oregon Administrative Rule 863-001-0006 states, in part, that a notice of intent is
25 properly served when deposited in the United States mail, registered or certified mail,
26 addressed to the respondent at the respondent's last known address of record with OREA.

27 2.2 Florum's last known address of record with OREA was PO Box 887, Cortaro,
28 Arizona, 85652.

29 2.3 A certified mailing of the notice of intent was mailed to Florum at her last known
30 address of record on November 15, 2012.

1 IN ADDITION, Florum shall immediately cease and desist from engaging in any
2 professional real estate activity as defined in ORS 696.010(15)(a) to (n).

3
4 Dated this 11th day of December, 2012.

5
6 OREGON REAL ESTATE AGENCY

7
8 

9
10 GENE BENTLEY

11 Real Estate Commissioner

12
13 DATE of service: 12-11-12

14
15 NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by
16 filing a petition for review within 60 days from the date of service of this order. Judicial review
17 is pursuant to the provisions of ORS 183.482.

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

4 In the Matter of the Real Estate License of)

5
6 LAURALENE HAYDEN)

STIPULATED FINAL ORDER

7
8
9 The Real Estate Agency (OREA) and Lauralene Hayden (Hayden) do hereby agree and
10 stipulate to the following:

11 FINDINGS OF FACT
12 AND
13 CONCLUSIONS OF LAW

14 1.

15 1.1 At all times mentioned herein, Hayden was licensed as a principal broker with
16 Morris Hayden Property Management, LLC.

17 1.2 On February 2, 2012, OREA received a complaint from Rachel and Laurence
18 "Corky" Birge (the Birges), alleging that Hayden had failed to protect their property, located at
19 5904 SW Badger, Terrebonne, OR 97760. The subsequent investigation found the following
20 violation.

21 1.3 Hayden and Erika Morris (Morris) own Morris Hayden Property Management,
22 LLC. When Hayden and Morris took over management of 72 properties from another property
23 management company on March 1, 2010, she secured property management agreements with
24 all the owners except for the Birges.

25 **Violation:** OAR 863-025-0020(1) (2009 Edition), which states that a property manager
26 must not engage in the management of rental real estate without a written property
27 management agreement between the owner and the property manager.

28 2.

29 OREA reserves the right to investigate and pursue additional complaints that may be
30 received in the future regarding this licensee.

1 OREGON REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER

3
4 In the Matter of the Unlicensed Professional)
5 Real Estate Activity of)
6)
7 CHRISTOPHER HOYT)
8 _____)

STIPULATED FINAL ORDER

9
10 The Real Estate Agency (OREA) and Christopher Hoyt (Hoyt) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Hoyt was not licensed to conduct professional real
17 estate activity in Oregon.

18 1.2 On March 31, 2012, OREA received a complaint from Michael Shall (Shall)
19 alleging that Hoyt was acting as a property manager for FMK Holdings, LLC, specifically
20 related to apartments at 3710 SE Stark St, Portland, OR. The subsequent investigation found
21 the following violations.

22 1.3 Hoyt conducted property management activity for Fred Kinyon, owner of FMK
23 Holdings, LLC, from August of 2007 until August of 2012, by showing and renting properties,
24 running checks on applicants, and maintenance work.

25 **Violation:** ORS 696.020(2) (2007 Edition), which states that an individual may not
26 engage in professional real estate activity within this state unless the individual holds an active
27 license. Professional real estate activity includes the management of rental real estate.

28 STIPULATION & WAIVER

29 I have read and reviewed the above findings of fact and conclusions of law which have
30 been submitted to me by OREA and further, the order which follows hereafter. I understand

1 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and
2 complete agreement and stipulation between OREA and me. I further understand that if I do
3 not agree with this stipulation I have the right to request a hearing on this matter and to be
4 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
5 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and
6 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
7 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
8 judicial review of this matter.

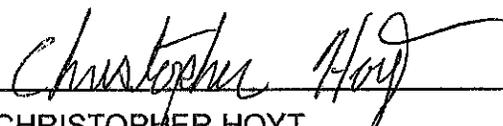
9 I hereby agree and stipulate to the above findings of fact and conclusions of law and
10 understand that the order which follows hereafter may be completed and signed by the Real
11 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
12 amended notice of intent may be issued in this matter.

13 ORDER

14 IT IS HEREBY ORDERED that, pursuant to ORS 696.990 and based upon the violation
15 set forth above, Hoyt pay a civil penalty in the sum of \$250, said penalty to be paid to the
16 General Fund of the State Treasury by paying the same to OREA, and must be paid in full
17 before a license is issued.

18 IN ADDITION, Hoyt shall register the business name of FMK Holdings, LLC, with OREA
19 within 60 days from the effective date of this order. At that time, OREA shall issue Hoyt a
20 Limited Property Manager license for four (4) years, in which he is only allowed to conduct
21 property management activity through FMK Holdings, LLC.

22
23 IT IS SO STIPULATED:

24 
25 _____
26 CHRISTOPHER HOYT

27
28 Date 11-10-12

IT IS SO ORDERED:

24 
25 _____
26 GENE BENTLEY

Real Estate Commissioner

28 Date 11.15.12

29
30 DATE of service: 11-15-12

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

4 In the Matter of the Real Estate License of)
5)
6 ARCHIE JONES) STIPULATED FINAL ORDER
7)
8)

9
10 The Real Estate Agency (OREA) and Archie Jones (Jones) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Jones was licensed as a real estate broker with
17 Prudential Real Estate Professionals.

18 1.2 On April 4, 2011, OREA received a complaint from Michael Pool (Pool)
19 alleging that when he purchased property at 185 Vanessa Way, Roseburg, Oregon, on June
20 10, 2005, his agent, Victoria Hawks (Hawks), and the seller's agent, Jones represented that
21 there had been a septic system installed by the seller. The subsequent investigation found
22 the following violations.

23 1.3 Jones did not ensure that the advertising of 185 Vanessa Way, Roseburg,
24 Oregon, submitted to the Regional Multiple Listing Service noted that there was not a septic
25 installed on the property, when it actually noted a septic was installed.

26 **Violation:** ORS 696.301(1) and (4) (2005 Edition), which states that a licensee may
27 be disciplined if they have created a reasonable probability of damage or injury to a person
28 by making one or more material misrepresentations in a matter related to professional real
29 estate activity and/or knowingly publishes materially misleading or untruthful advertising.
30

ORDER

IT IS HEREBY ORDERED that Jones' license be, and hereby is, reprimanded.

IT IS SO STIPULATED:

IT IS SO ORDERED:

Archie Jones

Gene Bentley

ARCHIE JONES

GENE BENTLEY

Real Estate Commissioner

Date 9-17-2012

Date 9.25.12

DATE of service: 9/25/12

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

4 In the Matter of the Unlicensed Professional)
5 Real Estate Activity of)
6)
7 JEFFREY KNIGHT)
8 _____)

STIPULATED FINAL ORDER

9
10 The Real Estate Agency (OREA) and Jeffrey Knight (Knight) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Knight was not licensed to conduct professional
17 real estate activity in Oregon.

18 1.2 On July 21, 2010, OREA received an anonymous complaint alleging that Knight
19 was conducting professional real estate activity through his company, Oregon Land Company,
20 LLC (OLC) without a license. The subsequent investigation found the following violations.

21 1.3 Knight advertised at least 14 properties for sale on the OLC website that were
22 owned by others.

23 1.4 Knight solicited buyers and sellers of real property through the OLC website.

24 **Violations:** ORS 696.020(2) (2009 and 2011 Editions), which states that an individual
25 may not engage in professional real estate activity within this state unless the individual holds
26 an active license.

27 STIPULATION & WAIVER

28 I have read and reviewed the above findings of fact and conclusions of law which have
29 been submitted to me by OREA and further, the order which follows hereafter. I understand
30 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and

1 complete agreement and stipulation between OREA and me. I further understand that if I do
2 not agree with this stipulation I have the right to request a hearing on this matter and to be
3 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
4 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and
5 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
6 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
7 judicial review of this matter.

8 I hereby agree and stipulate to the above findings of fact and conclusions of law and
9 understand that the order which follows hereafter may be completed and signed by the Real
10 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
11 amended notice of intent may be issued in this matter.

12 I further agree that I will immediately cease and desist from engaging in any
13 professional real estate activity as defined in ORS 696.010(15)(a) to (n) unless I first obtain a
14 real estate license from the Real Estate Agency. If I fail to abide by this agreement I will be
15 subject to additional civil penalties and other remedies allowed by law.

16 ORDER

17 IT IS HEREBY ORDERED that, pursuant to ORS 696.990 and based upon the violation
18 set forth above, Knight pay a civil penalty in the sum of \$500, said penalty to be paid to the
19 General Fund of the State Treasury by paying the same to OREA.

20 IT IS FURTHER ORDERED that Knight will immediately cease and desist from
21 engaging in any professional real estate activity as defined in ORS 696.010(15)(a) to (n)
22 unless Knight first obtains a real estate license from the Real Estate Agency.

23
24 IT IS SO STIPULATED:

25 Jeffrey Knight - OLC
26 JEFFREY KNIGHT

27
28
29 Date 11/21/2012

IT IS SO ORDERED:

30 Gene Bentley
GENE BENTLEY

Real Estate Commissioner
Date 11-29-12
DATE of service: 11-29-12

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

4 In the Matter of the Real Estate License of

5
6 RONNY LEE

AMENDED NOTICE OF INTENT TO
7 SUSPEND
8

9
10 The Oregon Real Estate Agency (OREA) is the state agency responsible for licensing,
11 disciplining and regulating real estate licensees in Oregon. Ronny Lee (Lee) is licensed by the
12 OREA to conduct professional real estate activity in Oregon.

13 1.

14 OREA proposes to take disciplinary action against Lee's real estate license and alleges
15 that the acts and conduct of Lee described below constitute violations of Oregon Revised
16 Statutes and Oregon Administrative Rules as follows:

17 1.1 At all times mentioned herein, Lee was licensed as a principal broker doing
18 business under the registered business name of Smart People Real Estate, Inc.

19 1.2 On March 11, 2011, OREA received notification from Carl Crowell (Crowell),
20 attorney for Tomson Burnham, LLC, that Lee had an adverse judgment entered against him.
21 On January 6, 2011, a Consent Judgment and, on February 10, 2011, an Amended Consent
22 Judgment were entered against Lee in U.S. District Court. The subsequent investigation found
23 the following violations.

24 1.3 OREA has no record of having received notification from Lee of the adverse
25 decision against him in *Tomson Burnham, LLC vs Ron Lee and Smart People Real Estate, Inc.*

26 **Violation:** ORS 696.301(3) (2011 Edition), which states that a licensee may be
27 disciplined if they have disregarded or violated any provision of any rule of the Real Estate
28 Agency, and OAR 863-015-0175(1) (2010 Edition), which requires that a real estate licensee
29 notify the commissioner of any adverse decision or judgment resulting from any civil or criminal
30 suit or action in which the licensee was named as a party.

5.

If Lee waives his right to a hearing, withdraws a hearing request, notifies OREA or the Administrative Law Judge that he will not appear, or fails to appear at the hearing as scheduled, OREA may issue a final order by default and impose the above sanctions against Lee. Lee's submissions to OREA to date regarding the subject of this disciplinary case and all information in OREA's files relevant to the subject of this case automatically become part of the evidentiary record of this disciplinary action upon default for the purpose of proving a prima facie case. ORS 183.415(6).

Dated this 14th day of November, 2012.

OREGON REAL ESTATE AGENCY



GENE BENTLEY
Real Estate Commissioner

Date of Service: 11-20-12

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

4 In the Matter of the Real Estate License of)
5)
6 CHERYL LYNCH) STIPULATED FINAL ORDER
7)
8)
9

10 The Real Estate Agency (OREA) and Cheryl Lynch (Lynch) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 Lynch was licensed as a broker associated with the registered business name of
17 Century 21 Realty Specialist (Century 21) until July 17, 2012. Lynch worked for Donn Walls,
18 who is the principal broker for Century 21 and Hermiston Property Management (HPM).

19 1.2 On July 23, 2012, OREA received a complaint from Walls alleging that Lynch
20 was conducting property management activity without a license. Walls also alleged that Lynch
21 was soliciting property owners from HPM to cancel their property management agreements
22 with HPM and transfer to her new company, Secure Property Management (SPM). The
23 subsequent investigation found the following violations.

24 1.3 Lynch wrote letters to HPM clients, telling them that she was with SPM and
25 wanted to continue as their property manager while she was still licensed with Century 21.

26 **Violations:** ORS 696.301(1), (4), (6), (12), (14) and (15) (2011 Edition), which states
27 that a licensee may be disciplined if they create a reasonable probability of damage or injury to
28 a person by making one or more material misrepresentations in a matter related to
29 professional real estate activity, if they knowingly publish materially misleading or untruthful
30 advertising, if they demonstrate untrustworthiness in performing any act for which the licensee

1 is required to hold a license, if they commit an act of fraud or engage in dishonest conduct
2 substantially related to the fitness of the licensee to conduct professional real estate activity,
3 and/or if they engage in any conduct that is below the standard of care for the practice of
4 professional real estate activity in Oregon; and OAR 863-015-0125(2)(d) (9/1/11 Edition),
5 which requires that all advertising by a licensee be truthful and not deceptive or misleading.

6 1.4 Lynch solicited HPM clients while her license was inactive through emails, letters
7 and phone calls from July 17, 2012 through August 1, 2012, to manage their properties
8 through SPM. In addition, Lynch accepted a tenant's rent payment.

9 **Violation:** ORS 696.020(2) (2011 Edition), which states that an individual may not
10 engage in professional real estate activity within this state unless the individual holds an active
11 license.

12 1.5 Lynch opened an office to the public and placed a SPM sign on the office door
13 and on the building, which was located at 985 N. First St, Hermiston, Oregon, before the
14 business was registered with OREA.

15 **Violation:** ORS 696.026 (2011 Edition), which requires that a business name be
16 registered with OREA by a principal broker or property manager before conducting any real
17 estate activity under that business name, and ORS 696.020(2) (2011 Edition), which states
18 that an individual may not engage in professional real estate activity within this state unless the
19 individual holds an active license.

20 2.

21 OREA reserves the right to investigate and pursue additional complaints that may be
22 received in the future regarding this licensee.

23 **STIPULATION & WAIVER**

24 I have read and reviewed the above findings of fact and conclusions of law which have
25 been submitted to me by OREA and further, the order which follows hereafter. I understand
26 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and
27 complete agreement and stipulation between OREA and me. I further understand that if I do
28 not agree with this stipulation I have the right to request a hearing on this matter and to be
29 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
30 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and

1 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
2 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
3 judicial review of this matter.

4 I hereby agree and stipulate to the above findings of fact and conclusions of law and
5 understand that the order which follows hereafter may be completed and signed by the Real
6 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
7 amended notice of intent may be issued in this matter. I understand that, in accordance with
8 the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
9 Estate News Journal.

10 ORDER

11 IT IS HEREBY ORDERED that Lynch's license be, and hereby is, reprimanded.

12 IN ADDITION, IT IS HEREBY ORDERED that, pursuant to ORS 696.990 and based
13 upon the violations set forth above, Lynch pay a civil penalty for unlicensed real estate activity
14 in the sum of \$4,500, said penalty to be paid to the General Fund of the State Treasury by
15 paying the same to OREA, and must be paid in full before her license may be renewed.

16
17 IT IS SO STIPULATED:

IT IS SO ORDERED:

18
19
20 *Cheryl S Lynch*

21 CHERYL LYNCH

20 *Gene Bentley*

21 GENE BENTLEY

22 Real Estate Commissioner

23 Date

11-9-12

23 Date

11.19.12

24
25 DATE of service:

11-20-12

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

4 In the Matter of the Unlicensed Professional
5 Real Estate Activity of
6
7 RITA MAPLE
8

AMENDED STIPULATED FINAL ORDER

9
10 The Real Estate Agency (OREA) and Rita Maple (Maple) do hereby agree and stipulate
11 to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Maple was not licensed to conduct professional
17 real estate activity in Oregon.

18 1.2 On April 9, 2012, OREA received a complaint from Gerri Sue Lent (Lent) stating
19 that she had hired Maple in late 2008 to manage her home located at 1834 SE Spokane St,
20 Portland, Oregon, while she was out of the country, and agreed to pay Maple 10% of the rent
21 proceeds as compensation. Upon Lent's return in 2010, Lent was dismayed at the condition of
22 her property, and believes that Maple owes her \$231.19 of leftover retainer money. The
23 subsequent investigation found the following violations.

24 1.3 Maple advertised Lent's property for rent or lease, procured prospective tenants,
25 negotiated with prospective tenants, accepted deposits from prospective tenants, and checked
26 the qualifications and creditworthiness of prospective tenants.

27 **Violations:** ORS 696.020(2) (2007 Edition), which states that an individual may not
28 engage in professional real estate activity within this state unless the individual holds an active
29 license.

30 ///

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

4 In the Matter of the Real Estate License of)
5)
6 H. SCOTT MCCARTNEY) ORDER ON DEFAULT
7)
8)

9 1.

10 1.1 On July 13, 2012, the Real Estate Commissioner issued, by certified mail, a
11 notice of intent to suspend the real estate principal broker's license of H. Scott McCartney
12 (McCartney). The Real Estate Agency (OREA) sent the notice of intent to McCartney's last
13 known address of record with the OREA. The notice of intent was also mailed to McCartney
14 by regular first class mail in a handwritten envelope.

15 1.2 Over twenty (20) days have elapsed since the mailing of the notice issued in
16 this matter and no written request for hearing has been received.

17 1.3 Copies of the entire investigation file are designated as the record for
18 purposes of default, including any submission from respondent and all information in the
19 administrative file relating to the mailing of notices and any responses received.

20 2.

21 Based upon the foregoing and upon a review of the above described investigation
22 reports, documents and files, the Real Estate Commissioner finds:

23 2.1 Oregon Administrative Rule 863-001-0006 states, in part, that a notice of
24 intent is properly served when deposited in the United States mail, registered or certified
25 mail, addressed to the real estate licensee or to any other person having an interest in a
26 proceeding before the Commissioner at the licensee's or other person's last known address
27 of record with OREA.

28 2.2 McCartney's last known address of record with OREA was 4219 SW Condor
29 Ave, Portland Oregon, 97201.

30 ///

1 Clients' Trust Account in which all funds received or handled by the licensee on behalf of
2 any other person shall be deposited.

3 3.5 Review of the June 2010 reconciliation of the Wilson Park Office Building
4 account found that outstanding transactions lacked required information and negative
5 balances were not explained.

6 **Violation:** OAR 863-025-0025(20) (2009 Edition), which requires that a property
7 manager reconcile each clients' trust account within 30 calendar days of the date of the
8 bank statement, and must include an explanation for any adjustment and that the balances
9 of each component of the reconciliation must be equal to and reconciled with each other.

10 3.6 Upon review of the June 2010 check register, it was found that amounts were
11 posted before payment was actually made, details were not adequately recorded to allow
12 for tracing funds received and disbursed, and interest accrued and disbursed was not
13 posted.

14 **Violation:** OAR 863-025-0040(2) (2009 Edition), which requires that a record of
15 receipts and disbursements, or a check register, must contain the date the funds were
16 received, the amount of the funds received, the purpose of the funds and the identity of the
17 person who tendered the funds, the date the funds were deposited, and the account
18 balance after each entry.

19 3.7 McCartney disbursed funds on June 1, 2010, while the check register stated a
20 negative balance, and failed to end the day with a positive balance.

21 **Violation:** OAR 863-025-0025(12) and 863-025-0040(7) (2009 Edition), which states
22 that a property manager must not disburse funds from a clients' trust account unless there
23 are sufficient funds in the ledger account against which the disbursement is made, and that
24 a record of receipts and disbursements or check register for a clients' trust account may
25 show a negative balance during the course of a day only if it shows a positive balance at the
26 close of the day.

27 3.8 McCartney disbursed earned management fees after the time allowable by the
28 property management agreement, and in a different amount than stipulated in the property
29 management agreement.

30 ///

1 **Violation:** OAR 863-025-0025(15) and 863-025-0020(2)(f) (2009 Edition), which
2 states that a property manager must disburse earned management fees from the clients'
3 trust account at least once each month unless a difference schedule of disbursement is
4 specified in the property management agreement, and may only disburse such fees if
5 sufficient funds are available, and that the property management agreement must include
6 the amount of the management fees and when it will be paid.

7 3.9 McCartney disbursed funds on June 7, 2010, taking the check register balance
8 to
9 -\$1,587.40, until receipts deposited June 9, 2010 caused a positive ledger balance, and
10 disbursing funds on June 25, 2010 that caused the ledger to end the day, and eventually the
11 month, at -\$3,013.99.

12 **Violation:** OAR 863-025-0025(12) and 863-025-0040(7) (2009 Edition), which states
13 that a property manager must not disburse funds from a clients' trust account unless there
14 are sufficient funds in the ledger account against which the disbursement is made, and that
15 a record of receipts and disbursements or check register for a clients' trust account may
16 show a negative balance during the course of a day only if it shows a positive balance at the
17 close of the day.

18 3.10 McCartney made payments to *Changing Landscapes* and *A Light Up*
19 *Company* in different periods, which required adjusting entries erroneously posted to the
20 June 2010 check register.

21 **Violation:** OAR 863-025-0025(10) and 863-025-0040(5) (2009 Edition), which states
22 that a property manager is solely responsible for the receipts and disbursements on each
23 bank account, and that upon any activity, the property manager must record each receipt,
24 deposit or disbursement and record each deposit or disbursement on the corresponding
25 owner's ledger and/or tenant's ledger.

26 3.11 McCartney omitted entries on the August 2011 reconciliation related to
27 outstanding checks.

28 **Violation:** OAR 863-025-0025(20)(c) (2011 Edition, 4/15/11), which states that a
29 property manager must reconcile each clients' trust account within 30 calendar days of the

30 ///

1 date of the bank statement, and that outstanding checks must be listed by check number,
2 issue date, payee and amount.

3 3.12 McCartney disbursed management fees prior to the existence of a sufficient
4 credit balance, between disbursement on August 2, 2011 and deposit on August 4, 2011.

5 **Violation:** OAR 863-025-0025(15) (2011 Edition, 4/15/11), which states that a
6 property manager must disburse earned management fees from the clients' trust account at
7 least once each month unless a different schedule of disbursement is specified in the
8 property management agreement, and may only disburse such fees if sufficient funds are
9 available.

10 3.13 McCartney disbursed check #30424 on August 30, 2011, which caused a
11 negative ledger balance.

12 **Violation:** OAR 863-025-0025(12) (2011 Edition, 4/15/11), which states that a
13 property manager must not disburse funds from a clients' trust account unless there are
14 sufficient funds in the ledger account against which the disbursement is made.

15 4.

16 4.1 The above violations are grounds for discipline pursuant to ORS 696.301(12),
17 which states that a licensee may be disciplined if they have demonstrated incompetence or
18 untrustworthiness in performing any act for which the licensee is required to hold a license.
19 Based on these violations, OREA proposes to suspend McCartney's license for 60 days.

20 4.2 A suspension is appropriate under ORS 696.396(2)(c)(B), which states that a
21 license may be suspended if the licensee exhibits incompetence in the performance of
22 professional real estate activity.

23 5.

24 OREA reserves the right to investigate and pursue additional complaints that may be
25 received in the future regarding this licensee.

26 ///

27 ///

28 ///

29 ///

30 ///

1 ORDER

2 IT IS HEREBY ORDERED that McCartney's license be suspended for 60 days,
3 beginning October 1, 2012.

4
5 Dated this 11th day of September, 2012.

6
7 OREGON REAL ESTATE AGENCY

8
9
10 

11 _____
12 GENE BENTLEY
13 Real Estate Commissioner

14 DATE of service: 9-11-12

15
16 NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained
17 by filing a petition for review within 60 days from the date of service of this order. Judicial
18 review is pursuant to the provisions of ORS 183.482.

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of)
5)
6 JOHN TEEK MCGREGOR) NOTICE OF INTENT TO SUSPEND
7)
8 _____)
9

10 The Oregon Real Estate Agency (OREA) is the state agency responsible for licensing,
11 disciplining and regulating real estate licensees in Oregon. John McGregor (McGregor) is
12 licensed by OREA to conduct professional real estate activity in Oregon.

13 1.

14 OREA proposes to take disciplinary action against McGregor's real estate broker's
15 license under the provisions of ORS 305.385. This action is based on the following:

16 1.1 ORS 305.385(4)(a) provides that if the Department of Revenue (Revenue)
17 determines that any licensee has neglected or refused to file any return or to pay any tax and
18 that such person has not filed in good faith a petition before Revenue contesting the tax, and
19 Revenue has been unable to obtain payment of the tax through other methods of collection,
20 Revenue may notify the licensing agency and that agency shall suspend any license until it
21 receives a certificate, issued by Revenue, that the licensee is in good standing.

22 1.2 By letter dated May 9, 2012, Revenue notified OREA, with a copy to McGregor, a
23 real estate licensee, that: McGregor, (1) has neglected or refused to file any return or pay any
24 tax, (2) has not filed a good faith petition before Revenue, and (3) Revenue has been unable to
25 obtain payment of the tax through other methods of collection.

26 1.3 ORS 305.385(4)(c) requires the Real Estate Commissioner to suspend
27 McGregor's real estate license upon notification by Revenue and after opportunity for hearing
28 as provided by ORS 183.415.

29 1.4 Revenue has the right to intervene in this matter if McGregor requests a hearing.
30 ORS 305.385(4)(c).

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2.

OREA proposes to suspend McGregor's real estate broker's license. OREA may rely on any definitions in ORS 305.380 as well as any provision of ORS 305.385 in this proceeding.

3.

McGregor is entitled to a hearing on this matter. In the event that McGregor desires such a hearing, McGregor must so notify the Commissioner, in writing, within 20 days from the date of the mailing of this notice. Submissions to OREA prior to the mailing date of this notice are not considered requests for hearing. At the hearing, McGregor may be represented by an attorney and present evidence and witnesses on McGregor's behalf. Hearings are conducted in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon.

4.

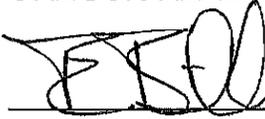
Information on the procedures, right of representation, and other rights of parties relating to the hearing as required under ORS 183.413-415 is enclosed with this notice.

5.

If McGregor fails to request a hearing within 20 days, waives his right to a hearing, withdraws a hearing request, notifies OREA or the Administrative Law Judge that he will not appear, or fails to appear at the hearing as scheduled, OREA may issue a final order by default and impose the above sanctions against McGregor. McGregor's submissions to OREA to date regarding the subject of this disciplinary case and all information in OREA's files relevant to the subject of this case automatically become part of the evidentiary record of this disciplinary action upon default for the purpose of proving a prima facie case. ORS 183.415(6).

Dated this 15th day of May, 2012.

OREGON REAL ESTATE AGENCY



GENE BENTLEY

Real Estate Commissioner

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

4 In the Matter of the Real Estate License of)
5)
6 ERIKA MORRIS) STIPULATED FINAL ORDER
7 _____)
8

9 The Real Estate Agency (OREA) and Erika Morris (Morris) do hereby agree and
10 stipulate to the following:

11 FINDINGS OF FACT
12 AND
13 CONCLUSIONS OF LAW

14 1.

15 1.1 At all times mentioned herein, Morris was licensed as a principal broker with
16 Morris Hayden Property Management, LLC.

17 1.2 On February 2, 2012, OREA received a complaint from Rachel and Laurence
18 "Corky" Birge (the Birges), alleging that Morris had failed to protect their property, located at
19 5904 SW Badger, Terrebonne, OR 97760. The subsequent investigation found the following
20 violation.

21 1.3 Morris and Lauralene Hayden (Hayden) own Morris Hayden Property
22 Management, LLC. When Morris and Hayden took over management of 72 properties from
23 another property management company on March 1, 2010, she secured property management
24 agreements with all the owners except for the Birges.

25 **Violation:** OAR 863-025-0020(1) (2009 Edition), which states that a property manager
26 must not engage in the management of rental real estate without a written property
27 management agreement between the owner and the property manager.

28 2.

29 OREA reserves the right to investigate and pursue additional complaints that may be
30 received in the future regarding this licensee.

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of)
5)
6 EUGENE PETRUSHA) STIPULATED FINAL ORDER
7)
8 _____)
9

10 The Real Estate Agency (OREA) and Eugene Petrusha (Petrusha) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Petrusha was licensed as a principal broker with
17 Americas Best Realty LLC.

18 1.2 On June 24, 2010, OREA received a complaint from Steven Lucas (Lucas), Deli
19 Busher (Busher) and Vadim Bazzubets (Bezzubets) of Oregon Realty Co., alleging that
20 Petrusha used Bezzubets' name without his permission to try to take advantage of a lender in
21 a short sale of property located at 12233 SE Gladstone St., Portland, Oregon, which was
22 owned by Stepan Sadovnik (Sadovnik). The subsequent investigation found the following
23 violations.

24 1.3 Petrusha allowed two copies to be made of the sale agreement, where Petrusha
25 represented both buyer and seller in one version and Petrusha represented the buyers and
26 Bezzubets represented the seller in the second version.

27 1.4 Petrusha allowed two copies to be made of the seller's counter offer, where
28 Petrusha represented both buyer and seller in one version and Bezzubets represented the
29 buyers and Petrusha represented the seller in the second version. Additionally, in the second
30 version, a stipulation of "buyer to pay \$3,000 at closing to Florence Designs for loan

1 negotiation” was removed, the other stipulations were renumbered one through three instead
2 of one through four, and it was not signed by the buyers.

3 1.5 Petrusha allowed two copies of Addendum A to be made, where Petrusha
4 represented both buyer and seller in one version and Petrusha represented the buyers and
5 Bezzubets represented the sellers in the second version.

6 1.6 Petrusha allowed two copies of the “short payoff” letter from GMAC to Sadovnik
7 to be made, where both Petrusha and Bezzubets were due a selling broker commission of
8 \$3,587 in one version and only Petrusha was due the selling broker commission of \$3,587 in
9 the second version.

10 **Violations:** ORS 696.301(12) & (14) (2009 Edition), which state that a real estate
11 licensee may be disciplined, including being reprimanded, if they have demonstrated
12 incompetence or untrustworthiness in performing any act for which the licensee is required to
13 hold a license and/or committed an act of fraud or engaged in dishonest conduct substantially
14 related to the fitness of the licensee to conduct professional real estate activity; and OAR 863-
15 015-0140(3) (2009 Edition), which states that a principal real estate broker must supervise and
16 control the professional real estate activity at any main or branch office registered by the
17 principal broker. (4 counts)

18 2.

19 2.1 OREA reserves the right to investigate and pursue additional complaints that
20 may be received in the future regarding this licensee.

21 **STIPULATION & WAIVER**

22 I have read and reviewed the above findings of fact and conclusions of law which have
23 been submitted to me by OREA and further, the order which follows hereafter. I understand
24 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and
25 complete agreement and stipulation between OREA and me. I further understand that if I do
26 not agree with this stipulation I have the right to request a hearing on this matter and to be
27 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
28 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and
29 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
30

1 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
2 judicial review of this matter.

3 I hereby agree and stipulate to the above findings of fact and conclusions of law and
4 understand that the order which follows hereafter may be completed and signed by the Real
5 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
6 amended notice of intent may be issued in this matter. I understand that, in accordance with
7 the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
8 Estate News Journal.

9 ORDER

10 IT IS HEREBY ORDERED that Petrusha be, and hereby is, reprimanded. In addition,
11 Petrusha must complete the Broker Administration and Sales Supervision (BASS) course
12 within 120 days from the date of the order and must provide documentation to OREA as soon
13 as he has done so.

14
15 IT IS SO STIPULATED:

IT IS SO ORDERED:

16
17 

18 

19 EUGENE PETRUSHA

GENE BENTLEY

Real Estate Commissioner

20
21 Date 11-18-2012

Date 11.19.12

22
23 DATE of service: 11-20-12

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

4 In the Matter of the Real Estate License of)
5)
6 TROY RAPPOLD) STIPULATED FINAL ORDER
7)
8)

9
10 The Real Estate Agency (OREA) and Troy Rappold (Rappold) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 Rappold was licensed as a real estate broker with Rappold Property
17 Management, LLC (RPM), from November 12, 2010 until June 27, 2011. His license was
18 transferred to Western Equities on June 27, 2011.

19 1.2 On May 12, 2011, OREA received notice from April Rose (Rose), that as of May
20 13, 2011, Troy Rappold (Rappold), who was the owner and was licensed as a broker
21 associated with RPM, did not have another principal broker in place to oversee his property
22 management business after Rose left. The subsequent investigation found the following
23 violations by Rappold.

24 1.3 Rappold continued to perform property management activity between May 13,
25 2011, and June 27, 2011, while not supervised by a principal broker.

26 **Violation:** OAR 863-014-0035(2) (4/15/11 Edition), which states that a real estate
27 broker must be associated with a principal real estate broker.

28 1.4 Rappold continued to perform professional real estate activity under the
29 registered business name of RPM after his license was transferred to Western Equities.

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ORDER

IT IS HEREBY ORDERED that Rappold's license be, and hereby is, reprimanded.

IT IS SO STIPULATED:

IT IS SO ORDERED:



TROY RAPPOLD



GENE BENTLEY
Real Estate Commissioner

Date 6 December, 2012

Date 12. 11. 12

DATE of service: 12-11-12

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

4 In the Matter of the Real Estate License of

5
6 JIWAN RIPLEY

7
8 } STIPULATED FINAL ORDER
9

10 The Real Estate Agency (OREA) and Jiwan Ripley (Ripley) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Ripley was licensed as a principal broker with
17 Realty Plus LLC, except from July 30, 2010 through November 3, 2010, at which time his
18 license was inactive.

19 1.2 On December 27, 2010, OREA received a complaint from Ray Penny (Penny)
20 alleging that Tom Bland (Bland) was conducting unlicensed professional real estate activity
21 while working for Ripley. The subsequent investigation found the following violations.

22 1.3 Ripley signed and/or initialed five documents, including Real Estate Listings and
23 Sale Agreements, Seller's Counter Offer and Addendums to the Sale Agreements, as principal
24 broker while his license was on inactive status.

25 **Violation:** ORS 696.020(2) (2009 Edition), which states that an individual may not
26 engage in professional real estate activity within this state unless the individual holds an active
27 license.

28 1.4 Ripley did not sign a Disclosed Limited Agency Agreements for Buyers and
29 Sellers when representing both in a transaction for property located at 863 W. 15th St, Coquille,
30 Oregon.

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

4 In the Matter of the Unlicensed Professional
5 Real Estate Activity of

6
7 MIKE RUMPAKIS
8

STIPULATED FINAL ORDER

9
10 The Real Estate Agency (OREA) and Mike Rumpakis (Rumpakis) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT

13 1.

14 1.1 At all times mentioned herein, Rumpakis was not licensed to conduct
15 professional real estate activity in Oregon.

16 1.2 On June 21, 2011, OREA received a complaint from Joyce Bitar (Bitar), co-owner
17 of property located at 307 SE Washington Ave., Portland, Oregon (subject property). Bitar
18 stated that Rumpakis, who is the husband to another co-owner of the subject property,
19 conducted the management of rental real estate for many years without compensation. On
20 May 3 and 4, 2011, that changed when Rumpakis took a management fee from her and at
21 least one other co-owner's rent distribution check.

22 1.3 Ownership of the subject property is recorded as Louise Rumpakis, Rumpakis'
23 wife, as 1/2 owner, Bitar as 1/6 owner, Justin Charles as 1/6 owner and a trust as 1/6 owner.

24 1.4 Since Rumpakis is not the owner of the property, he is prohibited from managing
25 the property for compensation.

26 CONCLUSIONS OF LAW

27 ORS 696.020(2) (2011 Edition), states that an individual may not engage in professional
28 real estate activity within this state unless the individual holds an active license.

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1 OREGON REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
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4 In the Matter of the Real Estate License of)

5
6 ROBERT SAMMONS)

ORDER ON DEFAULT

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8
9 1.

10 1.1 On November 5, 2012, the Real Estate Commissioner issued, by certified mail, a
11 notice of intent to revoke the real estate property manager's license of Robert Sammons
12 (Sammons). The Real Estate Agency (OREA) sent the notice of intent to Sammons's last
13 known address of record with the OREA. The notice of intent was also mailed to Sammons by
14 regular first class mail in a handwritten envelope.

15 1.2 Both copies of the notice of intent mailed on November 5, 2012, were returned to
16 OREA with a "Forward time expired" notation, and a new address of 2351 Victor Ave Apt 33,
17 Redding, California, 96002. The notice of intent was resent to the new address, by certified and
18 regular first class mail, on November 21, 2012.

19 1.3 Over twenty (20) days have elapsed since the mailing of the notice issued in this
20 matter and no written request for hearing has been received.

21 1.4 Copies of the entire investigation file are designated as the record for purposes of
22 default, including any submission from respondent and all information in the administrative file
23 relating to the mailing of notices and any responses received.

24 2.

25 Based upon the foregoing and upon a review of the above described investigation
26 reports, documents and files, the Real Estate Commissioner finds:

27 2.1 Oregon Administrative Rule 863-001-0006 states, in part, that a notice of intent is
28 properly served when deposited in the United States mail, registered or certified mail, addressed
29 to the real estate licensee or to any other person having an interest in a proceeding before the
30 Commissioner at the licensee's or other person's last known address of record with OREA.

1 3.4 On February 27, 2012, OREA received a complaint from Joseph Martinelli
2 (Martinelli) alleging that Sammons had not paid him approximately \$4,450 in rental income and
3 security deposits for the management of Martinelli's rental property located at 1700 Eastwood
4 Lane, Brookings, Oregon.

5 3.5 The subsequent investigation found the following violations.

6 3.6 For the property owned by Severson, Sammons failed to provide Severson with a
7 monthly accounting of rents received or expenses paid, per the terms of the property
8 management agreement, for July through October 2011.

9 **Violation:** ORS 696.890(3)(d) (2011 Edition), which requires that property managers
10 account in a timely manner for all funds received from or on behalf of the owner.

11 3.7 For the property owned by Severson, Sammons failed to provide Severson
12 approximately \$8,000 in tenant rent and security deposit funds from March through October
13 2011.

14 **Violation:** ORS 696.301(12) and (14) (2011 Edition), which states that a licensee may be
15 disciplined if they demonstrate incompetence or untrustworthiness in performing any act for
16 which the licensee is required to hold a license and/or if they commit an act of fraud or engage
17 in dishonest conduct substantially related to the fitness of the licensee to conduct professional
18 real estate activity.

19 3.8 For the property owned by Severson, Sammons failed to document in writing
20 authorization from Severson to rent Units A, B and C for a monthly rent amount of \$600 per unit.

21 **Violation:** ORS 696.301(12) (2011 Edition), which states that a licensee may be
22 disciplined if they demonstrate incompetence or untrustworthiness in performing any act for
23 which the licensee is required to hold a license.

24 3.9 For the property owned by Severson, Sammons failed to obtain written
25 authorization from Severson to charge monthly rent for Unit A that was less than the agreed
26 \$600 per month.

27 **Violation:** ORS 696.301(12) (2011 Edition), which states that a licensee may be
28 disciplined if they demonstrate incompetence or untrustworthiness in performing any act for
29 which the licensee is required to hold a license.
30

1 NOTICE: You are entitled to judicial review of this order pursuant to the provisions of ORS
2 183.482. Judicial review may be obtained by filing a petition for review within 60 days from the
3 date of service of this order.

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1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
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4 In the Matter of the Real Estate License of

5
6 DEREK SHANKS

7
8 } NOTICE OF INTENT TO REVOKE
9

10 The Oregon Real Estate Agency (OREA) is the state agency responsible for licensing,
11 disciplining and regulating real estate licensees in Oregon. Derek Shanks (Shanks) was
12 licensed by OREA to conduct professional real estate activity in Oregon.

13 1.

14 OREA proposes to take disciplinary action against Shanks' real estate license and
15 alleges that the acts and conduct of Shanks described below constitute violations of Oregon
16 Revised Statutes and Oregon Administrative Rules as follows:

17 1.1 At all times mentioned herein, Shanks was licensed as a principal broker doing
18 business under the registered business name of Northwoods Property Management, LLC. On
19 April 2, 2012, Shanks surrendered his real estate license. OREA retains authority to discipline
20 Shanks under ORS 696.775.

21 1.2 On September 16, 2011, OREA received a complaint from Loren Blowers
22 (Blowers) alleging that Shanks was refusing to give her the tenants' security deposits for her
23 properties. In addition, Blowers complained that Shanks had charged for work not authorized,
24 withheld rents, moved tenants in without rental agreements, failed to provide receipts to back
25 up expenses, added unauthorized handling charges to invoices, failed to obtain authorization
26 for maintenance costs over the agreed limit, and failed to provide adequate financial
27 statements.

28 1.3 Shanks entered into property management agreements with Loren and Clark
29 Blowers (the Blowers) on June 1, 2009, to manage approximately 70 rental units. The Blowers
30 terminated their agreements with Shanks on August 31, 2011.

1 1.4 Shanks never provided fully executed copies of the property management
2 agreements to the Blowers.

3 **Violation:** ORS 696.301(3) (2011 Edition), which states that a licensee may be
4 disciplined for disregarding or violating any rule of the Real Estate Agency, and OAR 863-025-
5 0020(7) (2009 Edition), which requires that a property manager promptly deliver a legible copy
6 of the fully executed property management agreement to the owner of the property.

7 1.5 Shanks applied surcharges to invoices for maintenance on the Blowers'
8 properties, even though there was no provision in the property management agreement to do
9 so.

10 **Violations:** ORS 696.301(12) (2011 Edition), which states that a real estate licensee
11 may be disciplined if they have demonstrated incompetence or untrustworthiness in performing
12 any act for which the licensee is required to hold a license, and OAR 863-025-0020(2)(f) and
13 (j) (2011 Edition), which requires that any management fees and any other form of
14 compensation must be included in the property management agreement.

15 1.6 On March 27, 2012, Shanks admitted to OREA that he had comingled and
16 misappropriated money from Northwoods' tenants' security deposits trust account since March
17 2009. Bank statements showed payments identified as "overdraft protection" and "internet
18 transfer", which transferred money from the tenants' security deposits trust account to
19 Northwoods' operating account and totaled \$242,100. After adjusting for two outstanding
20 checks on these accounts, the total funds identified as misappropriated in this way is at least
21 \$244,100.

22 **Violations:** ORS 696.301(12) and (14) (2011 Edition), which states that a real estate
23 licensee may be disciplined if they have demonstrated incompetence or untrustworthiness in
24 performing any act for which the licensee is required to hold a license, and/or has committed
25 an act of fraud or engaged in dishonest conduct substantially related to the fitness of the
26 licensee to conduct professional real estate activity.

27 1.7 Shanks failed to maintain bank accounts that were designated as clients' trust
28 accounts as defined in ORS 696.245 (2011 Edition).

1 disciplinary action upon default for the purpose of proving a prima facie case. ORS
2 183.415(6).

3
4 Dated this 14th day of August, 2012.

5
6 OREGON REAL ESTATE AGENCY

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9
10 GENE BENTLEY

11 Real Estate Commissioner
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1 OREGON REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of

5
6 DARLENE A SMITH
7
8

}
STIPULATED FINAL ORDER

9
10 The Real Estate Agency (OREA) and Darlene Smith (Smith) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Smith was licensed as a real estate broker with
17 John L. Scott Market Center.

18 1.2 On October 11, 2011, OREA received a complaint from Michelle Anderson
19 (Anderson) alleging that Smith lied to her about the extent of repair work that had been done
20 on the home she had purchased located at 1028 Douglas St., Forest Grove, Oregon. Smith
21 represented Anderson in the purchase. The subsequent investigation found the following
22 violations.

23 1.3 On March 23, 2010, the home was inspected, after which Anderson discussed
24 the findings with Smith. Anderson told Smith that she wanted the windows and heaters
25 replaced and gave her a copy of the inspection report.

26 1.4 On March 27, 2010, Smith drafted and Anderson signed Addendum #2, which
27 stated that the buyer releases inspection contingency provided the seller makes the following
28 repairs: all dry rot, "along with the windows and all other lender required repairs." Smith also
29 submitted a copy of the inspection report to the sellers, but it had Smith's handwritten notes on
30 it rather than Anderson's handwritten notes. Smith's notes said "fix" where Anderson's notes

1 said "replace", and Smith's notes said "okay" where Anderson had put an 'X', which Anderson
2 said meant to fix.

3 **Violations:** ORS 696.810(3)(a) and ORS 696.301(12) (2009 Edition), which requires
4 that a licensee exercise reasonable care and diligence on behalf of their buyer, and states that
5 a licensee may be disciplined if they demonstrate incompetence in performing any act for
6 which the licensee is required to hold a license.

7 2.

8 OREA reserves the right to investigate and pursue additional complaints that may be
9 received in the future regarding this licensee.

10 STIPULATION & WAIVER

11 I have read and reviewed the above findings of fact and conclusions of law which have
12 been submitted to me by OREA and further, the order which follows hereafter. I understand
13 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and
14 complete agreement and stipulation between OREA and me. I further understand that if I do
15 not agree with this stipulation I have the right to request a hearing on this matter and to be
16 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
17 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and
18 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
19 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
20 judicial review of this matter.

21 I hereby agree and stipulate to the above findings of fact and conclusions of law and
22 understand that the order which follows hereafter may be completed and signed by the Real
23 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
24 amended notice of intent may be issued in this matter. I understand that, in accordance with
25 the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
26 Estate News Journal.

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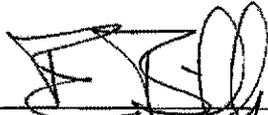
ORDER

IT IS HEREBY ORDERED that Smith's license be, and hereby is, reprimanded.

IT IS SO STIPULATED:

IT IS SO ORDERED:

Darlene A. Smith



DARLENE A. SMITH

GENE BENTLEY

Real Estate Commissioner

Date 9-24-12

Date 9.28.12

DATE of service: 9.28.12

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

4 In the Matter of the Real Estate License of)
5)
6 RANDY N. SMITH) STIPULATED FINAL ORDER
7)
8)

9
10 The Real Estate Agency (OREA) and Randy N. Smith (Smith) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 Smith has been licensed as a principal broker with Western Equities (WE) since
17 April 27, 1995. On June 27, 2011, Smith affiliated Rappold Property Management, LLC (RPM)
18 with WE and became licensed as a multiple principal broker.

19 1.2 On May 12, 2011, OREA received notice from April Rose (Rose), that as of May
20 13, 2011, Troy Rappold (Rappold), who was the owner of RPM and was licensed as a broker
21 associated with RPM, did not have another principal broker in place to oversee his property
22 management business after Rose left. The subsequent investigation found the following
23 violations by Smith.

24 1.3 Smith had only nominal supervision of the professional real estate activity
25 conducted at RPM while he was the principal broker there.

26 **Violation:** OAR 863-015-0140(1) (4/15/11 Edition), which states that no principal real
27 estate broker may allow any individual to use the principal broker's license for the sole purpose
28 of allowing other real estate licensees to engage in professional real estate activity when the
29 principal broker only nominally supervises the professional real estate activity conducted under
30 the principal broker's license.

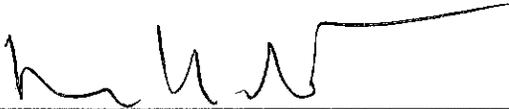
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ORDER

IT IS HEREBY ORDERED that Smith's license be, and hereby is, reprimanded.

IT IS SO STIPULATED:

IT IS SO ORDERED:



RANDY N. SMITH

GENE BENTLEY

Real Estate Commissioner

Date 12-1-12

Date 12-5-12

DATE of service: 12-5-12

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

4 In the Matter of the Real Estate License of)
5)
6 RANDY UNGER) STIPULATED FINAL ORDER
7)
8 _____)
9

10 The Real Estate Agency (OREA) and Randy Unger (Unger) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Unger was licensed as a principal broker with
17 Sierra Real Estate.

18 1.2 On April 18, 2011, OREA received a complaint from Daryll and Susan Keirn
19 regarding their purchase of property located at 114 Sarma Drive, Shady Cove, Oregon. The
20 Keirns alleged that the were not provided a Seller's Property Disclosure Statement until after
21 the close of escrow. The subsequent investigation found the following violation.

22 1.3 Unger failed to provide a copy of the Seller's Property Disclosure Statement to
23 the buyers or the buyer's broker.

24 **Violation:** ORS 696.805(2)(b), which requires that a real estate licensee present all
25 written communications to and from the parties in a timely manner.

26 2.

27 2.1 OREA reserves the right to investigate and pursue additional complaints that
28 may be received in the future regarding this licensee.

29 ///

30 ///

1 OREGON REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER

3
4 In the Matter of the Real Estate License of
5
6 PATRICIA ANN-WOLF WILLIAMS
7

STIPULATED ORDER OF REVOCATION

8 The Real Estate Agency (OREA) and Patricia Williams (Williams) do hereby agree and
9 stipulate to the following:

- 10 1. Williams is currently licensed as a real estate principal broker.
11 2. OREA has investigated Williams regarding her professional real estate activity
12 under file number 2012-31. Williams stipulates that OREA has substantial evidence in its files
13 to support, after hearing, findings of fact and conclusions of law by the Commissioner that
14 would result in the revocation of Williams' real estate principal broker license.
15 3. Based upon the evidence contained in those files, Williams stipulates that she
16 will never qualify for and will never apply for a real estate license in Oregon in the future.
17 4. Williams understands that she has the right to request a hearing before the Real
18 Estate Commissioner on this matter and to be represented by legal counsel at such a hearing.
19 Williams freely and voluntarily waives her rights to a hearing and judicial review of this matter
20 and to representation by legal counsel at such a hearing.
21 5. By entry of this order, Williams' real estate principal broker license is revoked,
22 effective October 1, 2012.
23

24 IT IS SO STIPULATED

IT IS SO ORDERED

25 
26 PATRICIA ANN-WOLF WILLIAMS

25 
26 GENE BENTLEY

27 Real Estate Commissioner

28
29 Date 9-6-2012

Date 9-17-12

30 DATE of service: 9-17-12