

Oregon Real Estate News-Journal

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Commissioner
Steve Strobe

Looking Back, Moving Forward

Steve Strobe, Real Estate Commissioner

There is no way to sugar coat it: This year has challenged us in ways none of us expected. And those challenges will remain for some time. But, to the extent possible, we here at the Agency have adopted the well-known mantra, “Improvise, Adapt, and Overcome.” So I’d like to provide a brief recap of this year’s accomplishments, as well as share a bit about what is ahead for 2021.

Convening Workgroups

Thank you to everyone who participated in various workgroups in 2020:

- **Broker, Principal Broker, and Property Manager Pre-Licensing Exams.** At the start of the year, two groups met with our testing provider, PSI, to evaluate the exam content and update

the pool of pre-licensing exam questions. One group was comprised of principal brokers and brokers. The other was comprised of property managers. PSI released the updated exams on October 1.

- **Temporary Authorization for Military Spouses.** Another group of licensees provided feedback on new permanent rules related to recent legislation requiring the Agency to issue temporary authorization to active licensees from other jurisdictions whose spouses or significant others are stationed in Oregon.
- **Advertising Rules.** Most recently, the Agency convened a workgroup to update advertising rules. (See “Updated Advertising Rules Effective January 1, 2021” on page 7) [The new and amended administrative rules](#) were filed with
*Please see **Looking Back** on page 2*



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IN THIS ISSUE

Looking Back, Moving Forward	1	Updated Advertising Rules Effective January 1, 2021	7
MacLean, Ihnat Elected 2021 Chair, Vice Chair	3	Continuing Education Extensions at Renewal	8
Regulation Division Process Improvements.....	4	Home Title Fraud.....	9
Construction Contractors Board Newsletter is a Resource for Real Estate Professionals	6	Administrative Actions	9

Looking Back

Continued from page 1

the Secretary of State on November 24 and are effective January 1, 2021.

Transitioning to Telework

When COVID-19 was just beginning to enter the United States, Agency leadership and staff anticipated that telework may be required. We began evaluating our technological resources and ordered equipment that enabled all employees to work seamlessly off-site. By the time the governor's executive order was enacted, we were ready. Even our call center staff was able to work remotely. Kudos to the staff for making sure we barely skipped a beat during this transition.

Moving Land Development Processes Online

Moving to a full telework environment required that we evaluate all our processes, look for ways to gain further efficiencies, and move all remaining work online that may have still existed on paper. A notable example involved the Agency's Land Development Division. Previously a paper-intensive process for both Agency staff and condominium document filers, this process is now fully online. Invoices and payments are now online through eLicense, too.

Proctoring License Exams Online

Oregon is the first state where PSI is offering a remote testing option for real estate licensing exams. Some of you may recall that testing centers were shut down for a period at the start of COVID-19 restrictions. This caused a temporary backlog in exam appointments and delays for license applicants.

As a way to protect against this possibility in the future, Education and Licensing

staff worked diligently with PSI so that Oregon would be first in line for remote testing. Being first will have its challenges, and Agency management is working closely with PSI to address any issues that arise.

Regulations Process

Deputy Commissioner Anna Higley has written about the changes to the investigations process during 2020. See her article on page 4.

Looking Ahead to 2021

The Agency is working on two resources that we hope the regulated community will find helpful.

The first is the creation of a Property Manager Resource Guide. We're synthesizing much of what has been written in the OREN-J on the subject of property management, along with related statutes and rules, into one resource that may be downloaded for easy reference.

The second will be an Advertising Rules Guide that will help provide licensees easy to understand material on the dos and don'ts of advertising.

We are also closely following industry trends and market conditions. As the Agency is 100% "other-funded," most all of our revenue comes from fees paid by licensees. Real estate has played a key role in contributing to the state's economy, and we expect that to remain unchanged. But we know issues such as inventory shortages in residential home supplies, or excess commercial space inventory post-pandemic, could affect overall demand to enter or leave the profession. We are committed to remaining engaged with our stakeholders to know and understand where the business is headed to be good stewards of our funds and maintain appropriate reserves. ■

MacLean, Ihnat Elected 2021 Chair, Vice Chair

The Oregon Real Estate Board has elected Alex D. Maclean III as its chair and Patricia Ihnat as its vice chair for 2021.



Alex MacLean

Alex MacLean has been an active member in the commercial real estate industry for over 32 years. He co-founded Commercial Realty Advisors NW, where he has served as a partner and the Managing Broker for Washington for almost 20 years. He is a member of a variety of organizations, including the International Council of Shopping Centers and the Retail Brokers Network. In 2014, he served as president of the Commercial Association of Brokers. Mr. MacLean has served on the Board since 2015.

Pat Ihnat is an attorney at Fidelity National Title, a national title insurance and escrow company. Pat has been with Fidelity for 27 years. Before joining the title industry, Pat was an attorney in private practice handling litigation and appellate cases focused on real estate and commercial matters. She is a past-president of the Oregon Land Title Association (OLTA) and currently serves on OLTA's legislative and education committees. She is a past-chair of the Real Estate and Land Use Section of the Oregon State Bar. Ms. Ihnat has been a public member of the Board since 2015.



Pat Ihnat

The Oregon Real Estate Agency congratulates Ms. Hunter and Mr. MacLean on their election. ■

Oregon Real Estate Board Meeting

**February 1, 2021, 10:00 a.m.
by videoconference**

The public is welcome to this virtual general meeting of the Board. Learn about the Board's responsibilities and the Oregon Real Estate Agency's current efforts. Get more information on the [Agency's website](#).

Regulation Division Process Improvements

Anna Higley, Deputy Real Estate Commissioner

As the demand for full-time telework emerged in early March, the Agency seized the opportunity to evaluate business processes through all program areas. In the Regulation Division, we sought opportunities to improve responsiveness to complainants and respondents while achieving greater accountability and transparency throughout the regulatory process. Shifting to a fully digital environment aided in all of these goals.

Case File Intake and Storage

Previously, investigations and cases were paper-driven. Initial complaints were primarily received by email, but the Agency would print these emails and create a physical case file. Throughout the lifecycle of the case, the physical file would grow: all communications with respondents and complainants printed, all evidence printed, and all investigative reports printed. Feedback and direction from management were handwritten on all this printed paper. Upon completion of the investigation, the Agency would electronically scan the printed file and then store the paper file in a cabinet.

While the Agency has used case management software to document high-level actions and the statuses of cases for many years, we underutilized the tools available that would allow us to compile electronic documents in their original electronic format. Now using these tools to their fullest, we have eliminated the redundant loop of receiving electronic documents, printing them, and then scanning them back in electronically.

Our pivot to electronic case files eliminates a great deal of administrative effort by support staff and professional investigators. Equally important, it provides a necessary anytime view of cases by lead staff and management, essential in a remote working environment.

Zoom Interviews, Settlement Conferences & Hearings

The Agency has conducted traditional, in-person interviews since time immemorial. However, for the safety of our staff, licensees, and the public-at-large, face-to-face meetings are currently out of the question. So, just like much of the business world, the Agency has gone virtual.

The shift to video conference meetings has not compromised the quality of our work. We have been employing the use of web meetings for investigative interviews, settlement conferences, and hearings for the better part of 2020. Given the capabilities of these tools, we stage successful meetings where all parties have the opportunity to share information and documentation. A valuable added benefit is that we are able to reach people throughout the state and even beyond our borders without added cost or delay.

Initial Investigation Review & Continuous Reprioritization

Historically, the Agency investigated cases on a "first in, first out" basis with prioritization given to matters where theft may have occurred. Formerly, Agency management held a pending queue of cases, assigning them out as individual investigators appeared to have a lighter caseload. While fair, it created a missed opportunity. During the investigative process, there are occasional periods of downtime while waiting for information from complainants, respondents, attorneys, and other agencies. So the process was revamped to recognize investigators can manage their time most efficiently when they have a clear view of their entire caseload.

1. Assign case

The Agency eliminated the pending queue and now assigns cases directly to investigators as they are received. This provides the complainant and respondent with an Agency contact from the outset.

2. Initial review in 7 days

Agency management asks investigators to conduct an initial case review within seven days of receiving the case in their queue. This task allows the investigator to become familiar with the nature of the complaints and to prioritize their own workload. Cases where theft is concerned continue to remain a high priority. Simple cases can be processed quicker, better serving parties with a resolution in a reasonable timeframe.

3. Continued case prioritization

Cases can vary greatly in complexity. We know that some cases will require a year or more to complete the investigation on. That is the time necessary to compile all of the facts, complete a report, and, when applicable, proceed with a sanction.

When investigators employed a "first in, first out" process exclusively, simple, straightforward cases may have sat unviewed, waiting for the completion of a case that required a year or more to complete. The new process enables professional investigators to manage multiple cases more efficiently.

Lead Staff Empowerment & Increased Reporting

Lead staff serve a different function than they did 10 months ago. Formerly, all investigative decisions rested with a single manager, and lead staff acted as a resource to investigators for support and advice in their investigations. Regulatory lead staff also continued to actively investigate cases.

Under more defined roles, lead staff have been given greater responsibility and accountability for the performance of investigative workloads. From the outset of an in-

vestigation, a lead staff member is assigned along with the investigator. This provides the investigator with a clear understanding of who they will conduct an Administrative Review with down the line. The lead staff are reviewing the staff's workload and actively checking in with staff on progress. They are no longer conducting their own investigations with their time dedicated to the Administrative Review process. This focus emboldens the quality assurance of the regulatory process ensuring that cases are conducted timely, accurately, and with legal sufficiency.

When a case reaches Administrative Review, a lead staff member now holds the authority to determine if the case should be closed for no violations, administered an Education Letter of Advice, or elevated to the Commissioner for sanction consideration. The Commissioner makes all decisions pertaining to administrative actions, but the lead staff will make a recommendation based on historical activity.

Biweekly, lead staff is meeting with the Commissioner's office to review reports outlining case activity over the preceding two weeks, as well as work through case-related matters.

Signing Electronically

All administrative actions are now signed electronically. When permitted by statute or agreed upon by the licensee, the resulting documents are sent by email.

The Results

While management is very proud of these results, we must acknowledge that the efficiencies gained could not have been achieved without the active participation of the investigative and compliance staff in the Division. This team provided critical feedback on historical processes as well as shared many opportunities for improvement. Their dedication to the mission of the Agency and adaptability to sustain the Agency's work led to the success of these changes. ■



Image by [Sid74](#) from [Pixabay](#)

Construction Contractors Board Newsletter Is a Resource for Real Estate Professionals

Leslie Culpepper, Oregon Construction Contractors Board

Editor's Note: This information is brought to you by the Oregon Construction Contractors Board (CCB). Please contact CCB with any questions at (503) 934-2195 or leslie.culpepper@state.or.us.

To help consumers have successful home improvement projects and to educate them about the importance of using a licensed contractor, the CCB has created Tools and Tips, an electronic homeowner newsletter. In the coming months, the newsletter will cover topics like:

- When Should You Get a Home Improvement Contract?
- In a Dispute with a Contractor? What to Do
- Using Licensed Contractors Provides These 6 Consumer Protections

The newsletter is intended to be a tool for anyone and everyone involved in home improvement projects – including home sellers, buyers, and their real estate agents. Real estate professionals can subscribe to the homeowner newsletter and we encourage you to pass it along to clients! Sign up through the CCB's Gov Delivery subscription service to receive an email and PDF version of the newsletter: <https://public.govdelivery.com/accounts/ORCCB/subscribe/new>

Newsletters are also posted to the CCB's website in PDF format:

<https://www.oregon.gov/ccb/news/Pages/Homeowner-Newsletters.aspx>

Want more resources from CCB?

CCB provides support to real estate professionals who would like to know more about home improvement projects made during real estate transactions. The agency delivers webinars to real estate agents about the home improvement process and publishes a brochure with information to help real estate professionals. Contact CCB to receive copies of the brochure by mail or to schedule a webinar for your upcoming continuing education event.

(Editor Note: Just a reminder that continuing education must be offered by a certified continuing education provider to count toward license renewal. [See more about continuing education requirements on the Oregon Real Estate Agency's website.](#))

To reach the agency, call the CCB's Education and Communications Manager Leslie Culpepper at (503) 934-2195 or email at leslie.culpepper@state.or.us. ■

Updated Advertising Rules Effective January 1, 2021

The Oregon Real Estate Agency adopted new and updated administrative rules on the advertising of real estate licensees.

Here is an overview of the changes starting on January 1, 2021:

Principal brokers

- **You don't need to approve the advertising of your associated brokers.** Brokers are now responsible for their own advertising. This rule change does not prevent you from establishing your own internal office policies requiring advertising approval.
- **If you are not the authorized licensee for the registered business, you can't state or imply in your advertising that you are responsible for the operation of the business.** This change further clarifies the requirement for advertising to be truthful and not deceptive.

Brokers

- **You no longer need principal broker approval of your advertising.** You are now responsible for your own advertising. This rule change does not prevent principal brokers from establishing their own internal office policies requiring advertising approval.
- **You can't state or imply that you are responsible for the operation of the registered business.** This change further clarifies the requirement for advertising to be truthful and not deceptive.

Property Manager

- **You now have your own advertising rule.** Previously, Oregon Administrative Rule (OAR) 863-015-0125 applied to property managers, and this sometimes created confusion. There is now a rule that applies specifically to

property manager advertising that will be located with all the other applicable property management rules in [OAR 863 division 25](#).

All Licensees

- **You can register an alternative name with the Agency to use in advertising.** If you are known by a name other than your legal name, a new rule allows you to register an alternative name with the Agency. If you use a registered alternative name on your advertising, you must also include your license number.
- **You don't need your name and registered business name on each social media post that advertises real estate or real estate services.** Most electronic media advertising must have your licensed name (or your registered alternative name with your license number) and the registered business name. But as long as your social media post has a link to your social media account profile page or another webpage that contains those required elements, you meet the requirements of administrative rule.
- **You no longer need the phrase "Licensed in Oregon" for online advertising.**
- **The definition of advertising was refined.** Although what is considered advertising didn't change, more examples were added to the rule.

The [updated and new advertising and related rules](#) are now published in Oregon Administrative Rules Chapter 863 and can be found on the [Agency's Laws and Rules page](#)

A big thank you to our workgroup members and everyone who participated in the advertising survey in early 2020 for your assistance in developing these rules. ■

Continuing Education Extensions at Renewal

Because of the pandemic, the Oregon Real Estate Agency continues to allow an extra month to complete continuing education for an active license renewal.

Extension Steps

If your active real estate license is expiring and you want an extension, you need to do the following *in the month your license expires*:

1. [Log into your eLicense account.](#)
2. Click the “Online Services” drop-down menu, then select “Renewal” under the License Actions heading.
3. “Start” your license renewal.
4. When given the option, accept the continuing education extension.
5. Complete the online renewal process and pay the \$300 fee renewal fee by your license expiration date.
6. Complete your required continuing education.
7. Email your continuing education certificates to orea.info@oregon.gov no later than 30 days after your license expiration date.

Reminder of Continuing Education Requirements

In general, you must take 30 hours of continuing education to renew an active real estate license. [All classes must be taken from Certified Continuing Education Providers.](#)

Brokers

First Active License Renewal:

- 3-hour Law and Rule Required Course.
- 27-hour Broker Advanced Practices.

Active Renewals after First Renewal:

- 3-hour Law and Rule Required Course.
- A minimum of 27 hours of continuing



Death to Stock Photo©

education in [eligible topics](#).

Principal Brokers

First Active License Renewal:

- 3-hour Law and Rule Required Course.
- 27-hour Principal Broker Advanced Practices.

Active Renewals after First Renewal:

- 3-hour Law and Rule Required Course.
- A minimum of 27 hours of continuing education in [eligible topics](#).

Property Manager

First Active License Renewal:

- 3-hour Law and Rule Required Course.
- 27-hour Property Manager Advanced Practices.

Active Renewals after First Renewal:

- 3-hour Law and Rule Required Course.
- A minimum of 27 hours of continuing education in [eligible topics](#).

No continuing education is required to renew an inactive license, but it may be required to [reactivate an inactive license](#).

See more information by license type on the [Agency’s continuing education requirements page](#). ■

Home Title Fraud

The crime of house stealing, title fraud, or deed theft occasionally occurs throughout the country. It has the potential of creating chaos in the lives of victims.

[According to Kiplinger](#), the fraud starts with the criminal selecting a house. With the information necessary to assume the identity of the owner of the property, the criminal records documents with the local county registrar that transfer ownership to themselves or a third party. Finally, they take out a loan secured by the property, attempt to sell the home, or rent the home out.

Clues that a homeowner's title has been compromised might be utility bills that stop coming, unauthorized people living on the property, or a notice of foreclosure proceedings.

[The FBI suggests](#) that homeowners should pay attention if they receive payment books from unfamiliar mortgage companies or offers of mortgage insur-

ance addressed to someone else. It also recommends that owners regularly look for records filed on their property in the county where their property is located. For a fee, title theft protection companies can alert homeowners to changes to their titles or mortgages.

Homeowners who suspect they are a victim of this type of fraud should act quickly.

[MoneyRate recommends the following:](#)

- If possible, contact the banking institution funding the fraudulent transaction.
- Notify the county registrar's office where the property is located.
- Make a report with the local law enforcement agency where the property is located and the FBI.
- Consult with an attorney specializing in real estate fraud or title litigation.
- If fraud possibly occurred before or while purchasing the property, contact the title insurance company. ■

Administrative Actions

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

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

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

SUSPENSION

[Greene, Alicia Ann](#) (Hawthorne, CA), Principal Broker 200810096, Stipulated Order dated November 5, 2020 issuing a 90-day suspension..

REPRIMAND

[Hawks, Victoria M.](#) (Roseburg), Principal Broker 900200025, Stipulated Order dated November 5, 2020. ■

[Tomko, Matthew A.](#) (Turner), Broker 201216867, Stipulated Order dated December 3, 2020.

[Buschmann, Margaret Ann](#) (Portland), Principal Broker 200601397, Stipulated Order dated December 14, 2020. ■

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Mesheal Heyman, Editor

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