Oregon Real Estate News-Journal

Official Publication of the Oregon Real Estate Agency

Volume 75, Number 1, March 2021



Commissioner Steve Strode

OREA by the Numbers

Steve Strode, Real Estate Commissioner

In my last Commissioner's column, I recapped a number of initiatives and accomplishments from 2020. Now that the year is behind us, I would like to add some numbers to the narrative. The Oregon Real Estate Agency is periodically asked about licensee counts, call volumes, and investigations, so I'll share some of those key statistics.

Call Center Volume

Licensing specialists answered 20,824 calls in 2020 with an average wait time of 25 seconds.

Education Program

The Licensing and Education Division staff renewed 317 Continuing Education Providers.

Compliance & Regulation

The Agency closed 771 cases in 2020. This represents a 49% increase over 2019.

The Agency sent 136 Education Letters of Advice in 2020, compared to 79 in 2019.

58 Settlement conferences were held with two cases taken to hearing at the Office of Administrative Hearings.

59 cases resulted in an Administrative Action.

Land Development

Our Land Development Division approved 191 condominium filings in 2020, nearly a 50% decrease from 2019.

As housing supply remains tight throughout Oregon, we are keenly interested in how this market and corresponding workload may pick up post-pandemic.

License Examinations

License examinations totaled 5,972 in Please see By the Numbers on page 2

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2020, an increase from 5,638 in 2019. This is the second-highest number on record after the 2018 total of 6.022.

When considering that examination centers were closed for over two months, this demand demonstrates current confidence in the real estate profession and industry.

Remote proctoring

By year-end, 780 license applicants had taken their exams remotely.

The Agency's examination provider, PSI, began offering a remote proctoring option in October. As the first client of PSI to offer the real estate exam remotely, we continue to work with the provider to address any issues and improve this service.

Key License & Registration Counts

	<u>Dec. 2020</u>	<u>Dec. 2019</u>	<u>% change</u>
Brokers	16,837	16,354	+2.9%
Principal Brokers	6386	6424	-0.6%
Property Managers	953	936	+1.8%
Registered Business Names	3861	3844	+0.4%
Registered Branch Offices	766	747	+2.5%
Escrow Organizations	66	64	+3.1%
Escrow Branches	147	145	+1.3%
Continuing Education Providers	291	299	-2.7%

Market Observations

We find ourselves in a unique environment that is a study of contrasts. Entrance into the industry by new licensees remains high, demonstrating confidence in it as a career choice. Yet inventory remains extremely undersupplied in a critical market segment — detached homes — and oversupplied in urban condominium markets. Moreover, we have yet to see the full impact on the commercial sectors as businesses evaluate their long-term office space needs and retail and restaurants navigate their way through the pandemic. The Agency is funded by licensing-related fees and we are committed to be good stewards of that revenue. We will continue to monitor market conditions and plan accordingly.

As Commissioner, it will always be my goal to engage with stakeholders as much as possible. While the circumstances of the past year have made that challenging, like everyone reading this, I look forward to when that can happen in a Zoom-free world again, too. But in the meantime, I'm equally eager to engage virtually.

Oregon Real Estate Board Meeting

April 5, 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.

Complete, Pay License Renewal on Time to Get CE Extension

As we cautiously look forward to the end of the pandemic, the Oregon Real Estate Agency continues to offer a 30-day extension for continuing education to licensees renewing active real estate licenses. This extension option is for the continuing education requirement only. You must still renew and pay the fee on time to keep your license active.

If you choose the extension during your license renewal in eLicense, you must complete the renewal, including payment of the \$300 renewal fee. You then have 30 days from your license expiration date to complete your continuing education hours and email all your certificates to the Agency at orea.info@oregon.gov. You cannot upload continuing education hours in eLicense for the completed renewal.

Failure to complete the renewal and pay the renewal fee by your license expiration date will cause your license to expire. The fee to renew your license late is \$150 plus the \$300 renewal fee.

License Expiration on a Weekend? Don't Wait Until the Last Minute

Does your license expire in any of the following months: July 2021, October, 2021, April 2022, July 2022, or December 2022?

License expiration dates are always the last day of the month. Anytime your license expiration date is on Saturday or Sunday,

we suggest you start your online renewal application in eLicense before the weekend. That way, if you have questions during the application process, there is time to contact the staff at the Oregon Real Estate Agency for help during business hours.

License Renewal Fees Versus Membership Dues

The Oregon Real Estate Agency gets many phone calls each month from licensees confused about "another" renewal fee. Often, the caller has mixed their license renewal with their Realtor membership renewal.

If you are both a real estate licensee and a Realtor, these identities are distinct.

License renewal fees paid to the Agency are for your real estate license. You must hold an active license to conduct professional real estate activity in Oregon. The Agency issues real estate licenses and regulates and enforces Oregon Real Estate License Law. Licenses expire every two years on the last day of your birth month, except for your first

license period which is usually shorter. You can look up your license expiration date by looking up your license.

Realtor dues pay for membership to the local, state, and national associations. Members agree to abide by a code of ethics and to meet other requirements. The association offers benefits to its members, including professional development and networking opportunities. Membership renews every year.

If you are unsure as to the status of your real estate license, you can <u>log into your eLicense account</u>. If you need help with your Realtor membership, <u>contact your local Realtor association</u>.



Image by FrodeCJ from Pixabay

Timeshare "Exit Scams" take millions of dollars away from unsuspecting consumers. When a once treasured vacation timeshare becomes an unwanted liability, it opens the door for scammers.

These scams can even affect innocent real estate and escrow licensees. Scammers have used the names of legitimate Oregon licensees and businesses, without the permission or knowledge of the actual licensees or companies, to convince timeshare owners to "do business" with them.

Licensees: Protect Your Good Name

- Periodically search the internet for unauthorized uses of your name or business.
 This could include setting up a Google Alert.
- Pay attention to inquiries from timeshare owners who think you can help with timeshare exits.
- If applicable, keep your business registration up-to-date with the Corporation Division of the Secretary of State.

Timeshare Owners: Protect Your Investment

• Contact your timeshare operator. Often the operator of the timeshare can help you find a way to sell your timeshare. Call them first rather than responding to an advertisement or an unsolicited call from someone who has a "buyer" for, or wants to buy, your timeshare. View this video by the Association of Real Estate License Law Officials and the American Resort Development Association for more information.

- Beware of Upfront Fees. Be skeptical of anyone asking you to wire money to pay a transfer "fee" or "tax" that is required so the transaction can close. Once paid, the scammer will often "need" more and more "fees" for the transaction to close.
- Confirm the Contact Information.
 If you are working to exit a timeshare with someone who claims to be licensed, contact the licensing agency to confirm contact information such as affiliated licensees, business name, addresses, and phone numbers.
- Read All the Documents. One way scammers work is to present a lot of paper for you to sign and initial, hoping you won't read them. Take the time to review all the documents. If there is something you don't understand, take the time you need to seek legal advice. Don't be rushed.
- Transfer Deed through a Licensed Escrow Company. You should not be required to sign the deed over without the benefit of going through a licensed escrow company. The escrow process reduces risk for the parties in a transaction.

If you suspect a timeshare resale scam, <u>contact the Oregon Department of Justice</u>.

Eviction Moratorium Extended With COVID Rent Assistance

The Oregon Legislature enacted <u>House Bill</u> 4401 during the third special session of 2020. The bill extended the eviction moratorium and established the <u>Landlord Compensation</u> Fund.

The law directs Oregon Housing and Community Services (OHCS) to provide grants directly to landlords on behalf of financially distressed tenants for 80 percent of unpaid rent between April 1, 2020, and June 30, 2021. Landlords must complete an application detailing all unpaid rents from quali-

fied tenants and an agreement to forgive 20 percent of the outstanding unpaid rent. The second round of grant funding opens in April.

Additionally, the law prohibits eviction without cause until June 30, 2021. Landlords must provide tenants notice informing them of their right to submit a declaration of financial hardship. Tenants who provide a declaration of hardship have to pay past due rent by July 1, 2021.

<u>Visit OHCS's Landlord Compensation</u> <u>Fund page</u> for more information.

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.

Reprimand

White, Valerie L. (Keizer) Property Manager 200809166, Stipulated order dated February 8, 2021.

<u>Grajeda-Weber, Natividad</u> (Lake Oswego) Principal Broker 200403280, Stipulated order dated February 9, 2021.

Suspension

Beck-Gardner, Lynda (Canby) Broker 200606367, Stipulated order dated February 8, 2021 issuing a 60-day suspension.

<u>Lyell, Phillip</u> (Portland) Broker 810504147, Final default order dated January 14, 2021 issuing a six-month suspension starting on January 19, 2021.

Civil Penalty

Hemstreet, Jon D. (Sheridan) Principal Broker 200411160, Stipulated order dated January 25, 2021 issuing a \$1,500 civil penalty.

Van Leeuwen, John A. (Lake Oswego) Unlicensed, Final order issued February 5, 2021 issuing a cease and desist order, a \$500 civil penalty, and a forfeiture of \$2,636.25 in profit.

Holsapple, Stephanie E. (Myrtle Creek) Property Manager 201211189, Stipulated order dated February 9, 2021 issuing a \$3,000 civil penalty.

Duarte, Jose A. (Salem) Unlicensed, Stipulated order dated March 10, 2021 issuing a cease and desist order and a \$6,100 civil penalty.

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The Oregon Real Estate News-Journal is published by the Oregon Real Estate Agency as an educational service to all real estate licensees in the state under the provisions of section 696.445 of the Oregon Revised Statutes.

Mesheal Heyman, Editor Vol. 75, No.1 March 2021