

Oregon Real Estate News-Journal

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Commissioner
Gene Bentley

Advanced Practices for New Principal Brokers

Gene Bentley, Real Estate Commissioner

A new law requires principal brokers renewing their active licenses for the first time on or after July 1, 2019 to complete an advanced practices course. [House Bill 4048](#) also requires the course for principal brokers reactivating for the first time after a first inactive renewal.

The bill was passed by the legislature during the 2018 session and signed by Governor Brown.

To assist in implementing the law, I have convened a work group to help develop the course. We anticipate that continuing education providers will have the approved course outline in September so they can start offering classes in January.

What does this mean for me as a new principal broker?

If your license expiration date is after July 1, 2019, and you will be renewing your active license for the first time, you will have

to take the 27-hour Principal Broker Advanced Practices course.

If your first principal broker license renewal was in inactive status and you want to reactivate it for the first time on or after July 1, 2019, you will have to take the 27-hour Principal Broker Advanced Practices course.

The 3-hour Law and Rule Required Course (LARRC) is also required to renew or reactivate your license.

What about classes I've already taken?

With the exception of LARRC, they will not count if you are renewing active for the first time, or if you are reactivating after an inactive first renewal, on or after July 1, 2019

When is the course available?

We hope that certified continuing education providers will start offering the course by January 2019. ■



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Views from the Board

Air Marketing

David J. Koch, Oregon Real Estate Board Member

Let's be sure we are not doing "error" marketing!

Licensees are using "Unmanned Aircraft Systems" (drones) to generate photos and videos to create impressive marketing pieces. These presentations are not for every property, but for larger homes, acreages, and unique properties; the aerial perspective is very helpful and informative. Drone photography packages often feature options including still interior and exterior photos, ground-level photos, and aerial photos and videos.

As useful as the aerial marketing products are, it's important to remember that a vehicle flying several hundred feet in the air, zooming about and loitering at multiple positions, can pose significant risks and hazards for those on the ground and others in the air. Drones can also be used as a platform for criminal or terrorist activities. These facts have not escaped the attention of regulators and law enforcement. Clearly, this is a LARGE subject but, for our purposes here, the discussion is limited to drone operations as they are used for marketing real estate.

If you engage the services of a drone photography provider, be sure they are appropriately licensed, well versed, and in compliance with Federal and State laws and rules. While there are regulatory provisions for monetary penalties and even legal prosecution, the greater risks to us as licensees may be the potential civil liability for injury, damage, or interference caused by drone operations. Prudent business practice advises that the drone service provider must carry liability insurance and that your liability insurance and E&O insurance have appropriate coverages. In other words, you should treat this provider with no less diligence than you would any other contractor.

The following is a summary of a few of

the rules your drone photography service will be operating under:

- The pilot must be properly licensed and bears ultimate responsibility for operation of the drone
- The pilot must cause the drone to remain within his or her "visual-line-of-sight" and comply with the following additional rules:
 - May not operate over any persons who are not direct participants.
 - Must operate in daylight hours only (twilight hours are ok with anti-collision lighting on the drone).
 - Must employ "see and avoid" principles to avoid a collision of any kind.
 - Cannot operate at a speed of more than 100 mph or more than 400 feet above the ground.
 - Have minimum weather visibility of three miles.

The State of Oregon spells out several interesting provisions:

- Prohibits directing a laser or projectiles from a drone
- A drone cannot be used to prevent or interfere with the operation of another aircraft nor may an individual interfere with a drone that is being operated legally
- Avoid flying near wildfires, other aircraft, stadiums, sporting events, or critical facilities, and emergencies
- A drone cannot be used as a vehicle for invading the privacy of another person

Persons desiring to become commercial drone operators are subject to a more rigorous regulatory realm well beyond the scope of this article. Here are several resource documents that are a starting place:

- Department of Transportation, Federal Aviation Administration, June 21, 2016 Final Rule, "[Operation and Certification of Small Unmanned Aircraft Systems](#)".

Please see **Air Marketing** on page 3



David J. Koch

"Views from the Board" features the opinions of Real Estate Board members. The views expressed are not necessarily those of the *Oregon Real Estate News-Journal*, the Oregon Real Estate Agency or Agency staff.

State Warns That Gilliam County Title Is Selling Insurance Illegally

The Oregon Department of Consumer and Business Services, Division of Financial Regulation issued a cease-and-desist order against Gilliam County Title of Clackamas, Ore., for attempting to sell title insurance without a license.

Oregonians should beware that Gilliam County Title continues to attempt to sell insurance illegally. Anyone who has been contacted by, or purchased title insurance from, Gilliam County Title is urged to call division investigators as soon as possible at (888) 877-4894 (toll-free).

In July 2017, the division received a call from someone whose elderly parents had received sales pitches for title insurance from Gilliam County Title. The caller checked if Gilliam County Title was licensed and became suspicious when there was no record of the company being licensed. Gilliam County Title was not then, and is not now, licensed to sell insurance in the state of Oregon.

Gilliam County Title's principal place of business is 10121 SE Sunnyside Road, Suite 300 in Clackamas. According to Secretary of State records, Lowell C. Hallock is the registered agent and president of the company. Division investigators were told by a company receptionist that William Ezra was

a manager at the company. Neither Hallock nor Ezra is licensed to sell insurance in Oregon.

Gilliam County Title, Hallock, and Ezra all have not responded to inquiries and communications from the division.

In Oregon, insurance agents and agencies must be licensed to sell insurance by the division. This license ensures that insurance agents are held to high standards of education and ethics. Selling insurance without a license is illegal.

"This is another reminder to always check that the person or company you are working with is licensed to sell insurance in the state of Oregon," said Jean Straight, acting DCBS director.

Oregonians can look up licensing information by calling (888) 877-4894 (toll-free) or visiting dfr.oregon.gov.

The final order can be found online at <http://dfr.oregon.gov/AdminOrders/enf-orders-2017/Gilliam%20Final%20Order%20with%20SSIG.pdf>.

This information was provided by the Division of Financial Regulation, part of the Oregon Department of Consumer and Business Services. ■

Air Marketing

Continued from page 2

(624 pages)

- [Part 107, Title 14, Code of Federal Regulations](#) - This is the Federal level governing document for the operation of Unmanned Aircraft Systems (UAS).
- Realtor Magazine Online, [Drones: Assessing the Risks](#), January 2016
- [Unmanned Aircraft Systems, Background Brief](#), Oregon Legislative Policy and Research Office, February 2017 ■

Next Board Meeting

**Monday, June 4 at 10:00 a.m. in Bend
[Central Oregon Association of Realtors
Training Center](#)**

Watch the next general meeting of the Oregon Real Estate Board. Meet Board members and Oregon Real Estate Agency staff. Open to the public.

Continuing education available; register in advance with the [Oregon Association of Realtors](#).

New Option for Initial Agency Disclosure Pamphlet Available

OREGON REAL ESTATE NEWS-JOURNAL

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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

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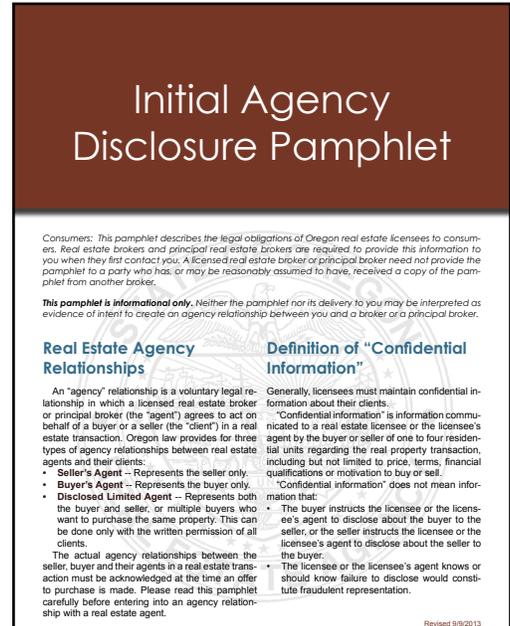
Brokers and principal brokers must provide a copy of the Initial Agency Disclosure Pamphlet at the first contact with a prospective party to a real estate transaction, or an unrepresented party seeking representation, during the course of a real estate transaction per Oregon Revised Statute (ORS) 696.820. It explains the different agency relationships addressed in ORS 696.805 through 696.815.

Previously, the Oregon Real Estate Agency only provided a sample pamphlet as required by Oregon Administrative Rule (OAR) 863-015-0215. This allowed licensees to take the pamphlet language and add their own branding.

At the request of licensees, the Agency now has a ready-to-use version that can be printed and handed out or provided as a link in emails or on websites.

The Word document with the sample pamphlet will continue to be available for licensees to modify with their own branding.

- Ready-to-Use Initial Agency Disclosure Pamphlet: <http://www.oregon.gov/realicensing/Documents/Initial-Agency-Disclosure-Pamphlet.pdf>
- Modifiable Initial Agency Disclosure Pamphlet: http://www.oregon.gov/realicensing/Documents/Sample_Initial_Agency_Disclosure_Pamphlet.doc



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 similar or the same 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 with whom you are working, 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 settlement may not, therefore,

directly compare in severity/sanction with other cases.

CIVIL PENALTIES

Expired - Late Renewals

Civil penalties for late renewals are computed using each 30-day period as a single offense. For the first offense, the civil penalty can range from \$100 but no more than \$500. For the second and subsequent offenses, \$500 to \$1000.

[Lathsang, Jampa Nyendak](#) (Portland) 980300260. Stipulated final order dated February 15, 2018 issuing a \$100 civil penalty. ■