

Oregon Real Estate News-Journal

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Commissioner
Gene Bentley

Do Your CE Hours Add Up? Enter Accurate CE Hours

Gene Bentley, Real Estate Commissioner

The Agency has received reports of real estate licensees completing continuing education classes in significantly less time than the number of hours on the certificate of attendance issued by the continuing education provider. The licensees are then using these incorrect certificates, with the incorrect hours, to renew their licenses in eLicense.

This is a reminder that you are responsible for your continuing education. When you take a continuing education class, you need to make sure the certificate of attendance shows no more than the number of hours it took you to complete the class. Additionally, you may not enter more continuing education hours into eLicense than you spent taking classes.

Here are things to remember about continuing education hours.

CE Hour Defined in Law

For every one hour of class offered, the continuing education provider can provide a 10-minute break per [Oregon Revised Statute \(ORS\) 696.182\(6\)](#). This means that you *could* get 1 hour of continuing education credit for every 50 minutes of class time. This is at the discretion of the provider or instructor of the continuing education class.

CE Provider Determines Number of Credit Hours

If you take 2 hours to complete an online class, but the provider only offered the class for 1 hour of credit, the provider is only obligated to give you 1 hour of credit. It is up to the provider to determine the minimum number of hours it should take to complete a course.

Please see CE Hours on page 3



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IN THIS ISSUE

Do Your CE Hour Add Up?.....	1	Board Meeting in Salem.....	4
Principal Broker: To Be or Not To Be.....	2	Report Adverse Judgments, Criminal	
Real Estate Board News.....	4	Convictions to Agency.....	5
Budget Headed to Legislature.....	4	Administrative Actions.....	5

Views from the Board

Principal Broker: To Be or Not To Be?

David J. "Dave" Koch, Oregon Real Estate Board Member



Dave 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.

One of the responsibilities of the Oregon Real Estate Board is to review and approve (or deny) petitions from broker licensees desiring to obtain a principal real estate broker license prior to having the required three years of experience as a licensee. The requirements to qualify for a "Waiver of Experience Requirements" are spelled out in OAR 863-014-0042. The Board can approve such a petition from an applicant in some limited circumstances. When the Board does approve a petition it is, in effect, certifying the competency of the petitioner. The decision to approve or deny a petition is a serious responsibility so the Board considers all petitions very carefully.

Not all the petitions are approved by the Board and sometimes those denials are challenged with comments like, "Well, when I have three years experience I won't have to ask for anyone's approval." That's true even if the petitioner has attained no more experience or competency other than completing the 40-hour course, passing the exam, having three years as a licensee, and paying the required fee. And that begs the question: "Are Oregon's Principal Broker licensing requirements stringent enough?" Oregon law and rules provide principal

brokers with privileges and responsibilities. Here are some responsibilities worthy of consideration:

- A principal broker is presumed to have more experience and greater competency if legal or regulatory issues arise.
- If you work with one or more principal brokers, you are required to have a written agreement and office policies outlining the division of control and supervision responsibilities for each principal broker.
- If other licensees affiliate with you, you are expected to supervise their professional real estate activities. As prudent business and risk management strategies, principal brokers often see a need to provide additional training as part of their supervision.

"Before deciding to pursue a principal broker license ... every licensee should give serious consideration to the greater responsibility and liability attendant to that license."

- Have you thought through strategies for risk management and dispute resolution? E&O insurance?
- The licensee's real estate business is usually an individual enterprise. As a principal broker you are authorized to greatly expand the complexity of that enterprise. Do you have the business skills to do this? If not, where will you get them?

- If you or any licensees affiliated with you are operating as an independent
- Please see **Principal Broker** on page 3

CE Hours

Continued from page 1

You Cannot Get More CE Hours than You Earned

If you take a class that is advertised for 3 hours of credit, but it only takes you 45 minutes to complete it, then you should discuss the situation with your continuing education provider immediately.

The continuing education provider should not give you credit for completing a course in less time than is allowed by ORS 696.182. This is especially true for any course required by law, such as the Law and Rule Required Course (3 hours), the Broker Advanced Practices course (27 hours), and the Property Manager Advanced Practices course (27 hours).

Again, if you believe you are completing any course in less time than allowed by law, you should contact the continuing education provider as soon as possible to discuss your options.

CE Audits and Entering Your Hours in eLicense

When you renew your license, you cannot

report more continuing education hours than you actually spent taking classes. If you are selected for a continuing education audit, the Agency will confirm with your continuing education providers that you spent the amount of time required for the number of hours claimed in eLicense.

If there is a difference between the number of hours entered in eLicense and the number of hours you actually spent taking a class, the Agency may choose to disqualify the class from meeting your license renewal requirements. This could result in disciplinary action on your license.

Key Takeaways

- If a class is not taking the amount of time that it should, contact the continuing education provider immediately.
- You are responsible for the accurate reporting of continuing education hours in eLicense.
- Do not report more hours than what it took to complete the course.
- The Agency may audit your continuing education hours. ■

Principal Broker

Continued from page 2

contractor, is this status complying with the criteria set out in the tax codes?

- In eLicense, you are expected to see that entries into the system are reasonably supervised and accurate.
- If you have a registered business name (RBN) you are required to file and keep current the RBN with both the Real Estate Agency and the Secretary of State. Likewise your current office location.
- If you choose to have a clients' trust account you are responsible for deposits, withdrawals, and careful oversight of that account, including monthly reconciliations.

Before deciding to pursue a principal broker license, either after attaining three years experience or by successfully obtaining an experience waiver, every licensee should give serious consideration to the greater responsibility and accountability attendant to that license.

Finally, the big question: "Are Oregon's laws and rules sufficient to insure that persons licensed as principal brokers are sufficiently qualified and competent?" Isn't this what our public deserves? It is a question currently being discussed at the Real Estate Agency and professional real estate organizations. ■

Real Estate Board News



Marcia Edwards

2017 Chairperson and Vice-Chairperson Elected

Marcia Edwards and James E. “Jef” Farley were elected chairperson and vice-chairperson respectively during the August meeting of the Oregon Real Estate Board held in Pendleton.

Ms. Edwards is a principal broker with Windermere Real Estate/Lane County. She is a second generation real estate licensee with 26 years of real estate experience.

Mr. Farley is co-owner of Coldwell Banker Whitney and Associates in Pendleton. He began his full-time real estate career in 1991. Mr. Farley is also a second generation real estate licensee; his father served on the Board in the 1970s.

The Oregon Real Estate Agency congratulates Ms. Edwards and Mr. Farley on their new roles.

Hermanski Completes Final Term on Board

2016 Board Chairperson Christopher Hermanski will leave the Oregon Real Es-

tate Board in December.

Mr. Hermanski is president and owner of Mainlander Property Management in Lake Oswego. He has been managing residential properties in the Portland area since 1981. Mr. Hermanski is a founding member of the



Christopher Hermanski

local chapter of the National Association of Residential Property Managers (NARPM), in which he continues to be active at local and national levels. He also serves on the Multifamily NW Board.

In addition to his role on the Oregon Real Estate Board, Mr. Hermanski has participated in a number of Oregon Real Estate Agency workgroups, including rule review and exam development..

The Agency thanks Mr. Hermanski for his service to the state of Oregon. ■



Jef Farley

Budget Headed to Legislature

The Governor’s Recommended Budget for 2017-2019 was released on December 1, 2016.

This budget includes the Oregon Real Estate Agency’s request for a fee increase. It will be presented to the Oregon Legislature when regular session begins in February. ■

Board Meeting in Salem

Monday, February 6, 2017,
10:00 a.m.

Oregon Real Estate Agency
[530 Center St. NE Suite 100](#)

The public is welcome. Free parking is available on the street (up to 3 hours) and in nearby garages.

Report Adverse Judgments, Criminal Convictions to Agency

As a real estate licensee, you must let the Oregon Real Estate Agency know about any of the following:

- Any criminal conviction (felony or misdemeanor), including a “no contest” plea or bail forfeiture. This includes DUII convictions.
- Any adverse decision or judgement resulting from any civil or criminal suit or action, arbitration proceeding, or administrative or Oregon State Bar proceeding in which you were named as a party and against whom allegations concerning any business conduct or professional real estate activity is asserted.
- Any adverse decision resulting from a criminal or civil proceeding that reflects on the “trustworthy and competent” requirements contained in [ORS chapter 696](#) and its implementing rules.

Notification is required *even if the judgment, award, or decision is appealed.*

To comply with the requirements of [OAR 863-015-0175](#), you must notify the Agency in writing within 20 calendar days after you receive written notice of the adverse judgment, award, or decision. Notification to the Agency must include:

- A brief description of the circumstances.
- The names of the parties.
- A copy of the adverse judgment, award, or decision.
- In the case of a criminal conviction, a copy of the sentencing order.

Notification is not required for:

- Any of the Agency’s administrative actions or proceedings.
- Arbitration proceedings between licensees that are only about commission payment disputes. ■

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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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Administrative Actions

September 15, 2016 through November 14, 2016

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 settlements may not, therefore, directly compare in severity/sanction with other cases.

REPRIMANDS

[Reed, Patricia A.](#) (Central Point) Property Manager 200712176. Default order dated November 14, 2016. ■

