

## **NOTICE OF PROPOSED RULEMAKING**

### **CHAPTER 863**

### **REAL ESTATE AGENCY**

**FILING CAPTION:** Rulemaking to implement HB 3137 2025 Regular Session

**LAST DAY AND TIME TO OFFER COMMENT TO AGENCY:** 09/21/2025 5:00 PM

#### **HEARING(S):**

**DATE:** 09/15/2025

**TIME:** 10:00 AM - 11:00 AM

**OFFICER:** Michael Hanifin

#### **REMOTE HEARING DETAILS**

##### **MEETING URL:**

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_NTg5M2YwYTAtNDlkNi00YTk5LWFjZmQtNDYxNDA5MDFiMDJl%40thread.v2/0?context=%7b%22Tid%22%3a%22aa3f6932-fa7c-47b4-a0ce-a598cad161cf%22%2c%22Oid%22%3a%222c449c06-6619-4c35-b87e-139e888e5b7e%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_NTg5M2YwYTAtNDlkNi00YTk5LWFjZmQtNDYxNDA5MDFiMDJl%40thread.v2/0?context=%7b%22Tid%22%3a%22aa3f6932-fa7c-47b4-a0ce-a598cad161cf%22%2c%22Oid%22%3a%222c449c06-6619-4c35-b87e-139e888e5b7e%22%7d)

**PHONE NUMBER:** 504-446-4951

**CONFERENCE ID:** 2705017877893

##### **SPECIAL INSTRUCTIONS:**

**Passcode:** jb3mp3hk

**Phone Conf ID:** 495 432 28#

#### **NEED FOR THE RULE(S):**

This rulemaking is required to implement HB 3137, 2025 Regular Session.

#### **DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:**

HB 3137, 2025 Regular Session. The bill can be found on the Oregon Legislative Information Website at the following address:

<https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureDocument/HB3137>

#### **STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE:**

These rules changes affect all licensees equally and therefore do not create a new or disparate burden on any group.

#### **FISCAL AND ECONOMIC IMPACT:**

Implementing these rules has minimal fiscal impact.

#### **COST OF COMPLIANCE:**

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of

professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

The rule amendments related to use of a managing principal broker designation generally reflect a modification of law that adopts current best practices in operating procedures within the industry, thus the rules themselves do not create a new burden on businesses. Businesses may incur limited labor costs related to updating internal policies and procedures to reflect new requirements. The changes to rule related to defining "real estate teams" are a requirement of HB 3137 and may create costs related to updating marketing materials. A small subset of certified education providers will incur a one-time cost to update to a proficiency exam for advanced practices courses. The new rules do not impact local government or members of the public.

**DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):**

Members of small business were included in Administrative Rule Advisory Committee that assisted with drafting the proposed rules.

**WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES**

**CONTACT:**

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**RULES PROPOSED:**

863-014-0003, 863-014-0030, 863-014-0035, 863-014-0040, 863-014-0054, 863-014-0060, 863-014-0061, 863-014-0063, 863-014-0065, 863-014-0085, 863-014-0090, 863-014-0095, 863-014-0097, 863-014-0100, 863-014-0160, 863-015-0000, 863-015-0003, 863-015-0081, 863-015-0092, 863-015-0125, 863-015-0130, 863-015-0133, 863-015-0140, 863-015-0142, 863-015-0143, 863-015-0145, 863-015-0150, 863-015-0186, 863-015-0200, 863-015-0205, 863-015-0210, 863-015-0250, 863-015-0255, 863-015-0257, 863-015-0259, 863-015-0260, 863-015-0275, 863-020-0000, 863-020-0005, 863-020-0010, 863-020-0015, 863-020-0035, 863-020-0040, 863-020-0050, 863-022-0000, 863-022-0005, 863-022-0020, 863-022-0021, 863-022-0022, 863-022-0030, 863-022-0035, 863-022-0045, 863-022-0055, 863-022-0057, 863-022-0060, 863-024-0000, 863-024-0003, 863-024-0030, 863-024-0045, 863-024-0050, 863-024-0060, 863-024-0061, 863-024-0063, 863-024-0065, 863-024-0095, 863-024-0097, 863-024-0120, 863-025-0010, 863-025-0015, 863-025-0020, 863-025-0045, 863-025-0090, 863-025-0125, 863-050-0052

**AMEND:** 863-014-0003

**RULE TITLE:** Definitions

**RULE SUMMARY:** Introduces the managing principal broker designation and the authorized principal broker definition.

**RULE TEXT:**

As used in this division, unless the context requires otherwise, the following definitions apply:

- (1) "Agency" means the Real Estate Agency with powers pursuant to ORS 696.385.
- (2) "Agency-approved form" means an electronic or paper form approved by the Real Estate Agency.
- (3) "Authorized principal broker" means a managing principal broker or a principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.
- (4) "Birth month" means the month of a licensee's or applicant's date of birth.
- (5) "Board" means the Real Estate Board established pursuant to ORS 696.405.
- (6) "Branch office" is defined in ORS 696.010.
- (7) "Commissioner" means the Real Estate Commissioner described in ORS 696.375.
- (8) "Incapacitated" means the physical or mental inability to perform the professional real estate activities described in ORS 696.010.
- (9) "Legal name" means the first name, middle name and last or surname, without the use of initials or nicknames and is the name given at birth or subsequently acquired through marriage, court order or adoption.
- (10) "Licensed Name" means the name of a real estate licensee as it appears on the current, valid real estate license issued to the licensee pursuant to ORS 696.020.
- (11) "Managing principal broker" as defined in Chapter 389, (2025 Laws).
- (12) "Principal broker" means "principal real estate broker," as defined in ORS 696.010.
- (13) "Real estate activity," "professional real estate activity," and "real estate business" mean "professional real estate activity" as defined in ORS 696.010.
- (14) "Real estate broker" as defined in ORS 696.010.
- (15) "Real estate licensee" and "licensee" mean a "real estate licensee" as defined in ORS 696.010, unless the context requires otherwise.
- (16) "Receiving authorized principal broker" means:
  - (a) The managing principal broker with whom an active transferring real estate license will be associated after a license transfer; or
  - (b) A principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.

(17) "Registered business name" is defined in ORS 696.010.

(18) "Sending authorized principal broker" means:

(a) The managing principal broker with whom an active transferring real estate license is associated before the license transfer; or

(b) A principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.

(19) "Signed" or "Signature" means original or electronic signature as provided by OAR 863-014-0076.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, Chapter 234, 2017 Laws, Chapter 389, (2025 Laws)

AMEND: 863-014-0030

RULE TITLE: License Issue, Term and Form

RULE SUMMARY: Added the timeshare sales agent license type.

RULE TEXT:

(1) The Agency will issue a real estate license to an applicant after determining that the applicant meets the license requirements contained in ORS 696.022 and 696.790, has paid all required fees, and meets:

(a) The requirements under OAR 863-014-0035 for real estate broker license applicant; or

(b) The requirements under OAR 863-014-0040 for a principal broker license applicant.

(2) A licensee may engage in professional real estate activities allowed for that license by ORS Chapter 696 and OAR chapter 863 from the date the license is issued until the license expires, becomes inactive, or is revoked, surrendered, or suspended.

(3) A licensee may hold only one of the following Oregon real estate licenses at any time:

(a) Real estate broker;

(b) Principal real estate broker; or

(c) Real estate property manager; or

(d) Timeshare sales agent.

(4) The license expiration date is the last day of the licensee's birth month.

(5) The Agency issues an initial license for a term determined by the licensee's birth month and license issuance date. The initial license term is at minimum 13 months and at most 24 months and 30 days.

(a) If the license is not issued in licensee's birth month, the initial license term will start on the license issue date and end 12 months after first occurrence of the last day of the licensee's birth month.

(b) If the license is issued in the licensee's birth month, the initial license term starts on the license issue date and ends 24 months after the first occurrence of the last day of the licensee's birth month.

(6) The Agency will renew an active or inactive license for a term of 24 months from the last license expiration date.

(7) The Agency will renew an expired license under OAR 863-014-0050 for a term that will start on the license renewal date and end 24 months from the last license expiration date.

(8) The license will include the following information:

- (a) The licensee's legal name;
- (b) The license number and expiration date;
- (c) The registered business name under which the licensee conducts professional real estate activity;
- (d) The licensee's business address;
- (e) The seal of the Real Estate Agency; and
- (f) Any other information the Agency deems appropriate.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, Chapter 389, (2025 Laws)

AMEND: 863-014-0035

RULE TITLE: Real Estate Broker Licensing Requirements

RULE SUMMARY: Added managing principal broker and authorized principal broker concepts to the rule.

RULE TEXT:

- (1) To be eligible for a real estate broker license, an individual must complete the following steps in the order listed:
  - (a) Submit the required online license application and pay the related fee to the Agency.
  - (b) Successfully complete the required courses of study for a real estate broker license required by OAR 863-022-0010.
  - (c) Ensure that the school providing the required course of study certifies to the examination provider that the applicant completed the course as required by OAR 863-014-0020.
  - (d) Pay the fee to the examination provider and take and pass the real estate broker examination as required by OAR 863-014-0020.
  - (e) Provide fingerprints for a criminal background check and pay the fee to the fingerprint services provider as required by OAR 863-014-0015.
- (2) After the applicant meets the requirements under (1) of this rule, the Agency will complete a background check on the applicant, which includes a criminal background check under OAR 863-014-0015.
- (3) A real estate broker must be associated with a managing principal broker. Using the online license transfer application available through the Agency's website, an authorized principal broker must transfer the broker to the registered business name under OAR 863-014-0063.
- (4) A currently licensed principal broker who wishes to be licensed as a real estate broker must submit a license application and pay the fee to the Agency required by OAR 863-014-0010.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, Chapter 389, (2025 Laws)

AMEND: 863-014-0040

RULE TITLE: Principal Real Estate Broker Licensing Requirements

RULE SUMMARY: Integrated the managing principal broker and authorized principal broker concepts into the rule.

RULE TEXT:

(1) To be eligible for a principal real estate broker license, an individual must complete the following steps in the order listed:

(a) Submit an online license application and pay the fee to the Agency required by OAR 863-014-0010. The license application must include proof satisfactory to the Agency that the applicant has three years of active licensed real estate experience.

(b) If the applicant is not an active, inactive, or expired Oregon real estate broker licensee and has not completed the current required courses of study for a real estate broker license, the applicant must complete such required courses under OAR 863-022-0010.

(c) Ensure that the school providing the courses of study for a real estate broker license under (b) of this section certifies to the examination provider that the applicant completed the course as required by OAR 863-014-0020.

(d) Successfully complete the brokerage administration and sales supervision course required by OAR 863-022-0025.

(e) Ensure that the school providing the brokerage administration and sales supervision course certifies to the examination provider that the applicant completed the course as required by OAR 863-014-0020.

(f) Pay the fee to the examination provider and take and pass the principal broker examination required by OAR 863-014-0020.

(g) If the applicant is not an active, inactive, or expired Oregon real estate licensee, provide fingerprints for a criminal background check and pay the fee to the fingerprint services provider as required by OAR 863-014-0015.

(2) If the applicant is required to submit fingerprints under (1) of this rule, the Agency will complete a background check on the applicant, which includes a criminal background check, as required by OAR 863-014-0015.

(3) After the requirements in (1) and (2) of this rule are met:

(a) Using an online application through the Agency's website, the applicant must register a business name as provided in (4) of this rule; or

(b) Using an online application available through the Agency's website, an authorized principal broker must transfer the applicant to the managing principal broker's active registered business name under



OAR 863-014-0063. Upon transfer, the principal broker becomes associated with the managing principal broker as provided by ORS 696.022.

(4) If an applicant wishes to conduct professional real estate activity under a business name registered by the applicant, the applicant must first meet all of the remaining qualifications to obtain the principal broker license and then register a business name under OAR 863-014-0095. Upon registration, the applicant becomes a managing principal broker.

(5) If the applicant's qualifications for three years of active experience are based wholly or partially upon an active real estate license held in another state, the applicant must furnish certification of active license history issued by the state(s) where acquired.

(6) A currently licensed real estate broker who previously held a principal broker license and wishes to be licensed as a principal broker again must apply for a principal broker license, pay the required fee and meet all the current qualifications under this rule.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, Chapter 389, (2025 Laws)

AMEND: 863-014-0054

RULE TITLE: Authorization for Armed Forces Servicemembers and Their Spouses or Domestic Partners

RULE SUMMARY: Added managing principal broker to the rule.

RULE TEXT:

(1) An active-duty member of the United States Armed Forces who is stationed in this state, or the spouse or domestic partner of such servicemember, may obtain an authorization to conduct professional real estate activity as a real estate broker or principal broker upon completion of the requirements in (2) through (5) of this rule. Such authorization is valid until the earliest of the following:

(a) Two years from the date of issuance;

(b) The date the servicemember's term of active-duty service in this state is complete; or

(c) The date the applicant's license issued by another state expires or is no longer active.

(2) Upon submission of the application for authorization, the applicant must hold an active real estate license of the same real estate license category in another U.S. state and such license or certificate must have been active during the two years immediately preceding the move. The applicant must be in good standing in the state or states in which the applicant is currently licensed.

(3) To apply for authorization, the applicant must:

(a) Complete an application and pay the related fee as provided in OAR 863-014-0010(1).

(b) Submit a copy of their or their spouse's or domestic partner's military orders stationing the servicemember in Oregon.

(c) Furnish certification of active license history issued by the state or states where licensed as required in (2) of this rule.

(4) An applicant seeking authorization to conduct professional real estate activity as a real estate broker must be associated with a managing principal broker as provided in OAR 863-014-0035(3).

(5) An applicant seeking authorization to conduct professional real estate activity as a principal real estate broker must either:

(a) Register a business name using an online application through the Agency's website as provided in OAR 863-014-0095; or

(b) Have an active principal broker transfer the applicant to an active registered business name under OAR 863-014-0063 using an online application available through the Agency's website.

(6) The authorization to conduct professional real estate activity as a real estate broker or principal

broker may not be renewed on expiration. Previous holders of an authorization must reapply and fulfill the requirements of ORS 696.022 and OAR 863-014-0035 or 863-014-0040 in order to conduct professional real estate activity in this state.

STATUTORY/OTHER AUTHORITY: HB 3030, SB 688 (2019 Laws)

STATUTES/OTHER IMPLEMENTED: HB 3030, SB 688 (2019 Laws), 50 U.S.C. Section 4025a; Pub. L. 117-333, Chapter 389, (2025 Laws)

AMEND: 863-014-0060

RULE TITLE: Limited Licenses and Renewal

RULE SUMMARY: Added the authorized principal broker concept to the rule.

RULE TEXT:

- (1) If the Commissioner issues an individual a limited license under ORS 696.130, the licensee may submit a written request for an unrestricted license after the period of limitation. The request must include the endorsement of the licensee's authorized principal broker, if applicable.
- (2) Issuance of an unrestricted license after a period of limitation is dependent upon the Agency's review and approval of the request. The inquiry into the licensee may include, but is not limited to, a check through the Law Enforcement Data System.
- (3) A limited licensee may only submit a license renewal application and pay the fee using an online application process, which is available through the Agency's website.
- (4) For purposes of this rule, "received by the Agency" means the date a licensee completed the online renewal process and paid the fee required under ORS 696.270.
- (5) A limited real estate broker or principal broker license expires if a licensee fails to renew the license on or before the license expiration date. A real estate licensee may not engage in any professional real estate activity after a license expires. A real estate licensee may renew an expired license as provided in this rule.
- (6) The Agency may renew a limited real estate license to active status for the term prescribed in OAR 863-014-0030 when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270; and
  - (b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under section OAR 863-020-0010.
- (7) The Agency may renew a limited real estate license to inactive status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270; and
  - (b) An online inactive renewal application.
- (8) The Agency may renew an inactive limited real estate license to inactive status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270; and
  - (b) An online inactive renewal application.

(9) The Agency may renew an inactive limited real estate license to active status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:

(a) The renewal fee authorized by ORS 696.270;

(b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under OAR 863-020-0010;

(c) An online transfer application, available through the Agency's website, completed by the receiving authorized principal broker under OAR 863-014-0063; and

(d) An endorsement in writing from the authorized principal broker acknowledging the limited license status and accepting the terms outlined in the stipulated final order.

(10) The Agency may renew an expired limited real estate license to active limited status when the Agency receives, within one year of the date the license expired, the following:

(a) The renewal fee and a late fee authorized by ORS 696.270;

(b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee met the license renewal continuing education requirements under OAR 863-020-0010;

(c) An online license transfer application, available through the Agency's website, completed by the receiving authorized principal broker under OAR 863-014-0063; and

(d) An endorsement in writing from the authorized principal broker acknowledging the limited license status and acceptance of the terms outlined in the stipulated final order.

(11) The Agency may renew an expired limited real estate license to inactive limited license status when the Agency receives, within one year of the date the license expired, the following:

(a) The renewal fee and a late fee authorized by ORS 696.270; and

(b) An online inactive renewal application.

(12) When the Agency renews an expired limited license, the renewed license is effective the date the renewal requirements are met. The renewal is not retroactive to the date the license expired and an expired license retains the status of expired during the expiration period.

(13) A limited license renewed under this rule expires two years from the date of the original expiration date.

(14) A limited real estate license that has expired for more than one year is lapsed, as defined in ORS

696.010.

(15) A limited license may not be renewed if it is lapsed, surrendered, suspended, or revoked. Except as provided in OAR 863-014-0075, the former licensee must reapply and meet all the licensing qualifications required of new license applicants.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, ORS 696.125

AMEND: 863-014-0061

RULE TITLE: Affiliated and Subsidiary Organizations

RULE SUMMARY: Inserted managing principal broker into the rule.

RULE TEXT:

- (1) Affiliated organizations are two or more organizations whose controlling ownership interests are owned by the same licensee, licensees, entity, or entities.
- (2) A subsidiary organization is one in which the majority of the voting stock or controlling ownership interest is owned by another organization.
- (3) Affiliated or subsidiary business organizations may have the same managing principal broker, provided that the individual registering the business name submits proof satisfactory to the commissioner that the managing principal broker involved actually manages and controls each affiliated and subsidiary organization.
- (4) As used in this rule, controlling ownership interest(s) means owning 51 percent or more.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, 696.022, Chapter 389, (2025 Laws)

AMEND: 863-014-0063

RULE TITLE: Real Estate License Transfers, Managing Principal Brokers' Responsibilities, Authority to Use Registered Business Name

RULE SUMMARY: Inserted managing principal broker and authorized principal broker concepts into the rule.

RULE TEXT:

(1) As used in this rule, "License transfer application" means an online application that does one of the following:

(a) Transfers a real estate broker or principal broker license to a receiving authorized principal broker in order to become associated with the managing principal broker, or

(b) Authorizes a real estate broker or principal broker licensee to use a registered business name to conduct professional real estate activity.

(2) An online license transfer application, available through the Agency's website, includes:

(a) The name of the licensee and license number of the licensee who is being transferred;

(b) The receiving authorized principal broker's name, license number, date, signature, and attestation authorizing the use of the registered business name.

(3) The authorized managing principal broker who supervises the licensee remains responsible for the licensee's professional real estate activity until the Agency receives one of the following:

(a) An online inactivation application available through the Agency's website; or

(b) An online license transfer application and fee.

(4) If neither the authorized principal broker who supervises the real estate licensee nor the real estate licensee completes the online inactivation process, the authorized principal broker remains responsible for the licensee's subsequent professional real estate activity until the Agency receives one of the following:

(a) An online inactivation application; or

(b) An online license transfer application and fee.

(5) The Agency will document the registered business name under which a real estate licensee is authorized to conduct professional real estate activity when the Agency receives an online license transfer application, or a new registered business name application, and the transfer fee authorized by ORS 696.270.

(6) Following a license transfer, a real estate broker may continue to engage in professional real estate activity on transactions that began while associated with the sending authorized principal broker under



the following limitations:

- (a) Applies only to transactions involving the sale, exchange, purchase, or lease of real estate where there is a fully executed contract, an active written offer, or counter offer, or a letter of intent;
  - (b) May only be done with the involved client's documented approval; and
  - (c) May only be done with written agreement between the sending authorized principal broker and the receiving authorized principal broker. The written agreement must:
    - (A) Identify which authorized principal broker is responsible for supervision, including record retention;
    - (B) Identify the transactions or transactions included in the written agreement;
    - (C) State the effective date of the agreement;
    - (D) Address agency relationships;
    - (E) Specify how compensation will be handled; and
  - (F) Be signed by the sending authorized principal broker, receiving authorized principal broker, and transferring broker.
- (7) Following a license transfer, a principal broker may continue to engage in professional real estate activity on transactions that began while authorized to conduct professional real estate activity for the previous registered business name under the following limitations:
- (a) Applies only to transactions involving the sale, exchange, purchase, or lease of real estate where there is a fully executed contract, an active written offer or counter offer, or a letter of intent;
  - (b) May only be done with the involved client's documented approval; and
  - (c) May only be done with written agreement between the sending authorized principal broker and the receiving authorized principal broker. The written agreement must:
    - (A) Identify responsibilities for supervision, as appropriate;
    - (B) Identify responsibilities for record retention;
    - (C) Identify the transaction or transactions included in the written agreement;
    - (D) State the effective date of the agreement;
    - (E) Address agency relationships;

(F) Specify how compensation will be handled; and

(G) Be signed by the sending authorized principal broker, receiving authorized principal broker, and transferring principal broker.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, Chapter 234, 2017 Laws, Chapter 389, (2025 Laws)

AMEND: 863-014-0065

RULE TITLE: Inactive License, Change License Status to Active, License Reactivation

RULE SUMMARY: Inserted authorized principal broker terminology into the rule.

RULE TEXT:

- (1) A real estate licensee whose license is on inactive status may not engage in professional real estate activity.
- (2) The Commissioner may reprimand, suspend, revoke, or impose a civil penalty against an inactive licensee under ORS 696.301.
- (3) The Agency will change an active real estate license to inactive license status when the Agency receives the following:
  - (a) An online inactivation application available through the Agency's website completed by the licensee to change the license status to inactive; or
  - (b) An online inactivation application available through the Agency's website completed by the licensee's authorized principal broker to change the license status of the licensee to inactive.
- (4) An inactive real estate licensee may be renewed under OAR 863-014-0050.
- (5) For a period of 30 days after a real estate license becomes inactive, the licensee may change such license status from inactive to active and be transferred by an authorized principal broker under OAR 863-014-0063.
- (6) Except as provided in section (7) of this rule, for a period of 30 days after the real estate license becomes inactive, the licensee may become licensed as an active principal broker only if:
  - (a) The licensee is qualified for such license and
  - (b) The licensee submits to the Agency:
    - (A) An Agency-approved application, and
    - (B) Payment of the fee authorized by ORS 696.270.
- (7) If a license has not been on active status for two or more consecutive years, the following steps must be completed in the order listed to reactivate the license:
  - (a) The licensee must pay a fee to the examination provider and take and pass the real estate reactivation examination as required by OAR 863-014-0020.
  - (b) The licensee must submit an online reactivation application available through the Agency's website and pay the fee to the Agency required under ORS 696.270.

(8) After the 30-day period specified in sections (5) and (6) of this rule, and subject to the examination requirements in section (7) of this rule, the Agency will change the license status from inactive to active after receiving the following:

(a) An online application for license reactivation;

(b) Payment of the reactivation fee authorized by ORS 696.270; and

(c) One of the following, as applicable:

(A) An online license transfer application available through the Agency's website, completed by the receiving authorized principal broker under OAR 863-014-0063; or

(B) For principal brokers who wish to conduct professional real estate activity under a new registered business name, an online application to register the business name under OAR 863-014-0095. Upon registration, the applicant becomes a managing principal broker.

(9) The change of license status, transfer, or the reactivation of a license is effective when all requirements are met, applications are completed, and fees are paid.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022

AMEND: 863-014-0085

RULE TITLE: Authorization to Control Managing Principal Broker's Business

RULE SUMMARY: Inserted managing principal broker concept into the rule.

RULE TEXT:

- (1) A managing principal broker may authorize another managing principal broker to control and supervise their professional real estate activity and use their registered business name during their absence only if:
  - (a) The authorizing managing principal broker provides written authorization as required by this rule, and
  - (b) The supervising managing principal broker accepts the supervising responsibility in writing.
- (2) Both licensees have joint responsibility for all professional real estate activity conducted during the authorizing managing principal broker's absence.
- (3) The written authorization required by this rule must contain the following information:
  - (a) The authorizing managing principal broker's authorization, including the effective date and the termination date of such authorization, which may not exceed 90 days;
  - (b) The supervising managing principal broker's affirmation accepting the supervisory responsibility; and
  - (c) An affirmation by both managing principal brokers acknowledging that they are jointly responsible for the professional real estate activity during the dates of the authorization.
- (4) The authorizing managing principal broker may end the authorization before the termination date by filing an amended authorization before the termination date.
- (5) The written authorization required by this rule must be received by the Agency before the effective date of such authorization on an Agency-approved form. The Commissioner may allow a later filing for good cause shown.
- (6) The Agency will maintain the written authorization as an Agency record.
- (7) This rule provides an exception to OAR 863-014-0095(7), which prohibits a managing principal broker from engaging in professional real estate activities under more than one registered business name. That is, a supervising managing principal broker may conduct professional real estate activity under both the authorizing managing principal broker's registered business name and the supervising managing principal broker's registered business name if the parties meet the requirements contained in this rule. This exception does not allow a managing principal broker to conduct professional real estate activity under more than these two registered business names

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.026, Chapter 389, (2025 Laws)

AMEND: 863-014-0090

RULE TITLE: Authorization to Temporarily Supervise

RULE SUMMARY: Integrated managing principal broker concept into the rule.

RULE TEXT:

(1) When a managing principal broker conducts professional real estate activity not in conjunction with other principal real estate brokers, the managing principal broker may authorize a real estate broker associated with the managing principal broker to temporarily supervise the managing principal broker professional real estate activity only if:

(a) The authorizing managing principal broker provides written authorization as required by this rule; and

(b) The real estate broker accepts the supervisory responsibility in writing.

(2) The written authorization must contain the following information:

(a) Authorization by the managing principal broker, including the effective date and termination date of such authorization, which may not exceed 90 days;

(b) An affirmation by the real estate broker acknowledging that the real estate broker:

(A) Has acquired at least three years of active experience as a real estate broker;

(B) Accepts the supervisory responsibility;

(C) Is bound by and subject to all the statutory and rule requirements of a managing principal broker during the period of authorization.

(c) An affirmation by both the managing principal broker and the real estate broker acknowledging that they are jointly responsible for the real estate broker's supervision of the professional real estate activity during the dates of the authorization.

(4) The managing principal broker may end the authorization before the termination date by filing an amended authorization before the termination date.

(5) The written authorization required by this rule must be received by the Agency before the effective date of such authorization on an Agency-approved form. The commissioner may allow a later filing for good cause shown.

(6) The Agency will maintain the written authorization as an Agency record.

STATUTORY/OTHER AUTHORITY: ORS 696.385, 183.335

STATUTES/OTHER IMPLEMENTED: 2009 OL Ch. 324, Chapter 389, (2025 Laws)

AMEND: 863-014-0095

RULE TITLE: Business Name Registration

RULE SUMMARY: Inserted managing principal broker concept into the rule.

RULE TEXT:

(1) Before conducting professional real estate activity in any name, a principal broker must first register the name with the Agency using an online application process available through the Agency's website. For the purposes of this rule, "registered business name" means any name used to conduct professional real estate activity, including: the licensee's legal name, an assumed name, or the name of a business entity, such as a corporation, partnership, limited liability company, or other business entity recognized by law.

(2) To register a business name, the principal broker must submit to the Agency in an online application, the following:

(a) The business name in which the principal broker wishes to conduct real estate business, which must be the exact name on file with the Oregon Secretary of State or licensee's legal name.

(b) Written authority to register the business name;

(c) For any name used other than the licensee's legal name, a valid, active Oregon Secretary of State Business Registry number; and

(d) The fee authorized by ORS 696.270.

(3) Once the registration of the business name is completed, a principal broker becomes the managing principal broker.

(4) A managing principal broker must maintain the registered business name in active status with the Oregon Secretary of State's Corporation Division for any name other than the licensee's legal name.

(5) Any change in the business name registered with the Agency must be submitted, with the applicable fee authorized by ORS 696.270, through the online application available on the Agency website.

(6) If a managing principal broker wishes to transfer the right to use and the responsibility for a business name that is registered with the Agency, the principal broker acquiring the right to use the name must file a change of business name registration with the Agency together with the fee authorized by ORS 696.270. Upon completion of the change of business name, the principal broker acquiring the right to use the name becomes the managing principal broker.

(7) A licensee must notify the Agency in writing if the licensee terminates its use of a business name.

(8) A business name registration becomes void when:

(a) The Agency receives an online application to void the registration.



(b) The registration expires.

(c) When no licensees are affiliated with the registered business name.

(9) A voided business name registration may be reactivated by reapplying for the registration and paying the fee authorized by ORS 696.270, unless another licensee has since registered the business name..

(10) Except as provided in OAR 863-014-0085 and this section, no real estate broker or principal broker may engage in professional real estate activities under more than one registered business name. A managing principal broker may engage in professional real estate activities under more than one registered business name if the business entity is an affiliated or subsidiary organization as described in OAR 863-014-0061.

(11) The initial term of a business name registration will expire on the last day of the initial month of registration. The initial term is not less than 12 months and is not more than 12 months plus the number of days between the date the registration is issued and the last day of the initial registration month.

STATUTORY/OTHER AUTHORITY: ORS 696.026, ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.026, Chapter 389, (2025 Laws)

AMEND: 863-014-0097

RULE TITLE: Registered Business Name Renewal

RULE SUMMARY: Integrated authorized principal broker and managing principal broker concepts into the rule.

RULE TEXT:

- (1) Only an authorized principal broker can submit a registered business name renewal application and pay the fee using an online application process, which will be available through the Agency's website.
- (2) For purposes of this rule, "received by the Agency" means the date the authorized principal broker completed the online renewal process and paid the fee required under ORS 696.270.
- (3) A registered business name that is not renewed on or before the registration expiration date will be void.
- (4) If a registered business name becomes void, all real estate licensees authorized to conduct professional real estate activity under the name will be inactivated and may not engage in any professional real estate activity until transferred under OAR 863-014-0063.
- (5) A principal broker who wishes to reactivate a voided registered business name must reapply as provided by OAR 863-014-0095. Upon completion of the new application, the principal broker becomes the managing principal broker.
- (6) When a new application for a voided registered business name has been processed and activated by the Agency, an authorized managing principal may then authorize other real estate licensees to conduct professional real estate activity under the registered business name by completing the process under OAR 863-014-0063. Effective dates are not retroactive.
- (7) A registered business name renewed under this rule expires one year from the date of the original expiration date.

STATUTORY/OTHER AUTHORITY: Chapter 234, 2017 Laws, ORS 696.385

STATUTES/OTHER IMPLEMENTED: Chapter 234, 2017 Laws, Chapter 389, (2025 Laws)

AMEND: 863-014-0100

RULE TITLE: Branch Office Registration

RULE SUMMARY: Integrated managing principal broker concept into the rule.

RULE TEXT:

(1) Before engaging in professional real estate activity from a branch office, an authorized managing principal broker must provide to the Commissioner on an online application available through the Agency's website, the branch office street and mailing addresses and the fee authorized by ORS 696.270.

(2) For the purposes of ORS 696.270, a branch office registration does not require renewal.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.026, 696.200, Chapter 389, (2025 Laws)

AMEND: 863-014-0160

RULE TITLE: Deceased or Incapacitated Managing Principal Broker

RULE SUMMARY: Integrated managing principal broker concept into the rule.

RULE TEXT:

(1) If the Commissioner issues a temporary license under ORS 696.205, the licensee's activities may be limited to winding up the affairs of the managing principal broker's transactions that are in various stages of completion or termination at the managing principal broker's death or incapacity. These activities may include, but are not limited to:

(a) Terminating all listings and buyer's service agreements in which there were no outstanding offers or earnest money receipts when the managing principal broker died or became incapacitated;

(b) Completing all negotiations between buyers and sellers on open transactions;

(c) Depositing and withdrawing monies from the clients' trust account in connection with the completion of all transactions pending when the principal broker died or became incapacitated;

(d) Promptly paying all real estate commissions owing after closing all transactions, both to the decedent principal broker's estate and to participating real estate brokers entitled to commissions resulting from the transactions; and

(e) Disbursing earnest moneys or other funds according to any outstanding earnest money receipt or other agreement.

(2) The holder of a temporary license is subject to ORS Chapter 696 and its implementing rules while engaging in professional real estate activity under the terms of the temporary license.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.205, Chapter 389, (2025 Laws)

AMEND: 863-015-0000

RULE TITLE: Applicability and Purpose

RULE SUMMARY: Inserted authorized principal broker concept to the rule.

RULE TEXT:

(1) This division applies to real estate brokers and principal real estate brokers, as those terms are defined by ORS 696.010.

(2) The purposes of this division are:

(a) To specify the regulations for licensees engaged in professional real estate activities, as that term is defined in ORS 696.010;

(b) To protect the owners, buyers, and sellers of real estate; and

(c) To make the authorized principal broker responsible for establishing a system of recordkeeping that:

(A) Provides the Agency with access to the licensees' records and

(B) Complies with the requirements contained in OAR chapter 863 and ORS Chapter 696.

(3) The Agency's goal is to encourage real estate licensees to comply with the applicable statutes and implementing rules through education and, if necessary, through progressive discipline, as provided in OAR chapter 863, division 27.

(4) Section (3) of this rule does not limit the Agency's authority to reprimand, suspend, or revoke a license pursuant to ORS 696.301 or assess civil penalties as authorized by 696.990.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.015

AMEND: 863-015-0003

RULE TITLE: Definitions

RULE SUMMARY: Integrated managing principal broker and authorized principal broker concepts into the rule.

RULE TEXT:

As used in this division, unless the context requires otherwise, the following definitions apply:

- (1) "Addendum" means additional material attached to and made part of a document. The addendum must refer to the document and be dated and signed or otherwise acknowledged by all the parties.
- (2) "Agent" is defined in ORS 696.800.
- (3) "Agency" means the Real Estate Agency.
- (4) "Authorized principal broker" means a managing principal broker or a principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.
- (5) "Bank" is defined in ORS 696.010.
- (6) "Banking day" means each day a financial institution is required to be open for the normal conduct of its business but does not include Saturday, Sunday, or any legal holiday under ORS 187.010.
- (7) "Branch office" is defined in ORS 696.010.
- (8) "Buyer" is defined in ORS 696.800.
- (9) "Business day" is defined in ORS 696.010
- (10) "Clients' Trust Account" means an account in a "bank," that is subject to the provisions of ORS 696.241.
- (11) "Closing" means the transfer of all property titles and the disbursement or distributions of all monies and documents for a real estate transaction.
- (12) "Commissioner" means the Real Estate Commissioner described in ORS 696.375.
- (13) "Compensation" is defined in ORS 696.010.
- (14) "Competitive market analysis" is defined in ORS 696.010.
- (15) "Compliance review" means an Agency review of an authorized principal broker's records and procedures for the purpose of educating the authorized principal broker on statutes and rules.
- (16) "Confidential information" is defined in ORS 696.800.

(17) "Cure noncompliance" means an authorized principal broker's acts that resolve the authorized principal broker's failure to comply with statutory and rule requirements.

(18) "Day" or "days" means each calendar day, including legal holidays under ORS 187.010.

(19) "Disclosed limited agency" is defined in ORS 696.800.

(20) "First contact with a represented party" means the initial contact by a licensee, whether in person, by telephone, over the Internet, or by electronic mail, electronic bulletin board, or similar electronic method, with an individual who is represented by a real estate licensee or can reasonably be assumed from the circumstances to be represented or seeking representation.

(21) "Investigation" means an Agency-initiated investigation of a licensee that may result in administrative actions against the licensee.

(22) "Letter opinion" is defined in ORS 696.010.

(23) "Listing agreement" is defined in ORS 696.800.

(24) "Managing principal broker" is defined in HB 3137 section 2a(1)(a).

(25) "Offer" is defined in ORS 696.800.

(26) "Offering price" is defined in ORS 696.800.

(27) "Principal" is defined in ORS 696.800.

(28) "Principal broker" means "principal real estate broker," as defined in ORS 696.010.

(29) "Real estate" is defined in ORS 696.010.

(30) "Real estate activity," "professional real estate activity," and "real estate business" mean "professional real estate activity" as defined in ORS 696.010.

(31) "Real estate broker" is defined in ORS 696.010.

(32) "Real estate licensee" and "licensee" mean a "real estate licensee" as defined in ORS 696.010, unless the context requires otherwise.

(33) "Real estate teams" is defined in HB 3137 section 13.

(34) "Real property" is defined in ORS 696.800.

(35) "Real property transaction" is defined in ORS 696.800.

(36) “Reconciliation review” means a review of an authorized principal broker’s clients’ trust account reconciliation information and documents for compliance with OAR 863-015-0275.

(36) “Registered business name” is defined in ORS 696.010.

(37) “Sale” and “sold” are defined in ORS 696.800.

(38) “Seller” is defined in ORS 696.800.

(39) "Timely" means as soon as is practicable under the circumstances.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.010, Chapter 234, 2017 Laws, Chapter 389, (2025 Laws)



AMEND: 863-015-0081

RULE TITLE: Compliance Reviews

RULE SUMMARY: Added managing principal broker and authorized principal broker to the rule.

RULE TEXT:

(1) The Agency will provide a managing principal broker with written notice at least five business days before conducting a compliance review.

(2) A compliance review is completed when the Agency delivers a written notice of completion to the managing principal broker.

(3) Except as provided in section (4) of this rule, if the Agency determines that an authorized principal broker is not in compliance with ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870, or OAR chapter 863 after the Agency completes a compliance review, the Agency will allow the authorized principal broker at least 30 days from the date the compliance review is completed to cure the noncompliance without sanction.

(4) Upon completion of a compliance review, if the Agency has reasonable grounds to believe that the funds belonging to others may be missing, funds may have been misappropriated, or that the authorized principal broker's records are in such a condition that the authorized principal broker is placing funds belonging to others at risk the Agency may immediately initiate an investigation without providing an authorized principal broker with an opportunity to cure noncompliance.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.280, Chapter 389, (2025 Laws)

AMEND: 863-015-0092

RULE TITLE: Reconciliation Review

RULE SUMMARY: Introduced managing principal broker and authorized principal broker concepts to the rule.

RULE TEXT:

- (1) The Agency will conduct clients' trust account reconciliation reviews.
- (2) The Agency will provide a managing principal broker with written notice of a clients' trust account reconciliation review at least 10 business days before required information and documentation must be provided to the Agency.
- (3) After the Agency reviews the information and documents provided in a reconciliation review, the Agency will take one of the following actions:
  - (a) If the information and documents comply with statutes and rules, the Agency will provide written notice to the authorized principal broker confirming compliance only as to the information and documents provided;
  - (b) If the information and documents indicate that the authorized principal broker may be subject to additional documentation and procedural requirements that were not part of the reconciliation review, the Agency will provide written notice to the authorized principal broker detailing the Agency's expectations for compliance on those matters;
  - (c) If the information and documents demonstrate that the authorized principal broker is not in compliance, the Agency will provide written notice to the managing principal broker that:
    - (A) The authorized principal broker must cure all noncompliance issues and provide information and documentation to the Agency that the noncompliance has been cured within 30 days of the date of the notice; and
    - (B) If all noncompliance issues are not cured within 30 days, the Agency may:
      - (i) Issue an educational letter of advice;
      - (ii) Impose sanctions on the principal broker; or
      - (iii) Initiate an investigation and not allow additional time for the authorized principal broker to cure the noncompliance.
  - (d) If the Agency has reasonable grounds to believe that the funds belonging to others may be missing, funds may have been misappropriated, or that the authorized principal broker's records are in such a condition that the authorized principal broker is placing funds belonging to others at risk, the Agency may immediately initiate an investigation without providing the authorized principal broker with an opportunity to cure noncompliance.

(4) If an authorized principal broker does not respond to a reconciliation review within the time period required in the notice, the Agency may initiate an investigation.

(5) The Agency may conduct a reconciliation review:

(a) As part of a regular, routine, and random selection of managing principal broker clients' trust accounts for reconciliation reviews;

(b) After a compliance review, when the Agency has determined that an authorized principal broker was not in compliance and provided the authorized principal broker with an opportunity to cure the non-compliance; and

(c) After an investigation has been initiated.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: Chapter 234, 2017 Laws, Chapter 389, (2025 Laws)

AMEND: 863-015-0125

RULE TITLE: Advertising

RULE SUMMARY: Changes implement new teams requirements resulting from passage of HB 3137, 2025 Regular Session.

RULE TEXT:

(1) As used in this rule, "advertising" and "advertisement" include all forms of meaningful communication by or on behalf of a real estate broker or principal broker designed to attract the public to the use of services related to professional real estate activity. This includes, but is not limited to:

(a) Print, including, but not limited to mail, publications, brochures, postcards, business cards, and stationery;

(b) Signs, including but not limited to lawn signs, displays, and billboards;

(c) Phone, including but not limited to mobile phone, text messaging, cold calling, and outgoing voicemail messaging;

(d) Broadcast media, including but not limited to radio, television, podcasts, and video; and

(e) Electronic media, including but not limited to multiple listing services, websites, email, social media, mobile apps, and other online marketing.

(2) Advertising shall:

(a) Be identifiable as advertising of a real estate licensee;

(b) Be truthful and not deceptive or misleading;

(c) Not state or imply that the licensee is a managing principal broker or is responsible for operating the registered business if the licensee is not a managing principal broker;

(d) Not state or imply that the licensee is qualified or has a level of expertise other than as currently maintained by the licensee; and

(e) Be conducted only with the written permission of the property owner(s) or authorized agent of the owner(s) if for the purpose of offering real estate for sale, exchange, or lease.

(3) Advertising that includes the licensee's name shall use one of the following:

(a) The licensee's licensed name;

(b) A common derivative of the licensee's first name and the licensee's licensed last name; or

(c) An alternative name registered with the Agency per OAR 863-014-0067 and the licensee's license number.

(4) The registered business name, as registered with the Agency, shall be immediately noticeable in all advertising.

(5) Advertising in electronic media is subject to the following requirements:

(a) Advertising shall comply with all other requirements of this rule;

(b) Advertising by a real estate broker or principal broker shall include on its primary or home page:

(A) The licensee's name as required in section (3) of this rule; and

(B) The registered business name as registered with the Agency.

(c) Sponsored links, which are paid advertisements located on a search engine results page, are exempt from the requirements contained in subsection (b) of this section if the first page following the link complies with subsection (b).

(d) An email or text message from a licensee is exempt from the requirements of subsection (b) of this section if the licensee's initial communication contained the information required by subsection (a).

(e) Advertising on social media is exempt from the requirements contained in subsection (b) of this section if the advertising links to the account profile page or a separate page that complies with subsection (b).

(6) No advertising may guarantee future profits from any real estate activity.

(7) A licensee or licensees may advertise as a real estate team under Chapter 389, (2025 Laws) and OAR 863-015-0142 Real Estate Teams if:

(a) The advertising does not state or imply that the real estate team is a separate legal entity from the registered business name;

(b) The registered business name is immediately noticeable in all advertising;

(c) If any non-licensed individuals are named in the advertising, the advertising shall clearly state which individuals are real estate licensees and which ones are not; and

(d) The advertising complies with all other applicable provisions of ORS Chapter 696 and its implementing rules.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.301, Chapter 389, (2025 Laws)

AMEND: 863-015-0130

RULE TITLE: Listing Agreements

RULE SUMMARY: Inserted authorized principal broker terminology into the rule.

RULE TEXT:

(1) A real estate broker or principal broker who enters into a listing agreement, as defined by ORS 696.800, must give the seller signing the listing agreement a true, legible copy of the signed listing agreement at the time of securing the listing.

(2) In addition to the requirements contained in ORS 696.805, listing agreements must also include:

(a) An expiration date;

(b) The licensee's license number;

(c) A statement of whether the agreement is exclusive or nonexclusive;

(d) Name and contact information, including telephone number for the authorized principal broker responsible for supervision of the broker; and

(e) Signatures by all parties to the agreement.

(3) Listing agreements are prohibited from containing the following:

(a) Any provision requiring the seller to notify the licensee of the individual's intention to cancel the listing after the stated, definite expiration date;

(b) Any provision subjecting the seller of the listed property to the payment of two or more commissions for one sale if the seller lists the same property with a second or subsequent real estate broker or principal broker after the first or preceding listing agreement expires or is terminated by mutual agreement.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.800

AMEND: 863-015-0133

RULE TITLE: Buyer Agreements

RULE SUMMARY: Added manager principal broker to the rule.

RULE TEXT:

A real estate licensee representing a buyer in a residential transaction of residential land or one to four residential units is required to act under a written representation agreement with the buyer. In addition to the requirements contained in ORS 696.810, the representation agreement must also include:

- (1) Licensee's license number;
- (2) The name and contact information including telephone number for the managing principal broker responsible for supervision of the broker;
- (3) Term, including effective date and expiration date;
- (4) Description of the legal obligations of a buyer's agent as described in ORS 686.810 or by reference to the initial agency disclosure pamphlet delivered per ORS 696.820;
- (5) The buyer's general search criteria, which may include the price range of desired property and the location of desired property;
- (6) An explanation of how buyer's agent may be compensated;
- (7) Representation agreement termination rights provisions for both buyer and licensee; and
- (8) A statement whether the agreement is exclusive or nonexclusive.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: Oregon Laws 2024, chapter 3, section 17, Chapter 389, (2025 Laws)

AMEND: 863-015-0140

RULE TITLE: Manager Principal Broker Supervision Responsibilities

RULE SUMMARY: Integrated managing principal broker and authorized principal broker concepts into the rule.

RULE TEXT:

(1) A managing principal broker must comply with the supervision and control requirements in HB 3137 section 20 (1).

(2) A managing principal broker may not state or imply to current or prospective licensees or the public that the real estate licensees associated with the managing principal broker are not fully subject to the managing principal broker's supervision or are not acting as the managing principal broker's agents.

(3) An authorized principal broker must supervise and control the professional real estate activity at any main or branch office registered by the managing principal broker.

(4) An authorized principal broker must directly supervise the licensees associated with the managing principal broker in fulfilling their duties and obligations to their respective clients. The authorized principal broker must review each document of agreement generated in a real estate transaction within seven banking days after it has been accepted, rejected, or withdrawn. The document review may be done electronically or in hard copy. If the authorized principal broker reviews a document electronically, the authorized principal broker must make an electronic record of the review showing the name of the reviewer and the date of the review. If the authorized principal broker reviews a hard copy document, the authorized principal broker must initial and date the document in writing at the time of review.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.200, ORS 696.222, ORS 696.310, Chapter 389, (2025 Laws)



ADOPT: 863-015-0142

RULE TITLE: Real Estate Teams

RULE SUMMARY: New rule created to implement the teams component of HB 3137, 2025 Regular Session.

RULE TEXT:

- (1) One or more real estate licensees associated with the same managing principal broker may form a real estate team with the approval of the managing principal broker under HB 3137 section 13, 2025 Regular Session.
- (2) Before a real estate team member may supervise or control the actions of any other team members, the member must be an authorized principal broker.
- (3) The name of a real estate team:
  - (a) May include the terms “team” or “group;”
  - (b) Must not include the terms “realty” or “real estate;”
  - (c) Must not constitute the unlawful use of a trade name; and
  - (d) Must not be deceptively similar to a name under which any other person is lawfully doing business.
- (4) Real estate teams must comply with the advertising requirements in OAR 863-015-0125, the real estate team disclosure requirements in OAR 863-015-0143, and all other applicable provisions of ORS Chapter 696 and its implementing rules.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: Chapter 389, (2025 Laws)

ADOPT: 863-015-0143

RULE TITLE: Real Estate Team Disclosure

RULE SUMMARY: New rule adopted to provide a form of disclosure that complies with HB 3137, 2025 Regular Session.

RULE TEXT:

- (1) For purposes of this rule, “at first contact” means at the time the agent has sufficient contact information about a person to be able to provide a real estate team disclosure to that person. Contact with a person includes, but is not limited to contacts in person, by telephone, over the Internet, by electronic mail, or by similar methods.
- (2) A member of a real estate team must provide a copy of the real estate team disclosure, which complies with section (5) of this rule, at first contact with:
  - (a) A prospective party to a real property transaction; or
  - (b) An unrepresented party seeking representation during the course of a real property transaction.
- (3) A member of a real estate team must provide the real estate team disclosure in a written format by email, over the Internet, by USPS mail, facsimile, hand delivery or similar delivery method.
- (4) A member of a real estate team does not need to provide a copy of the real estate team disclosure to a party who has received a copy of the disclosure from another member of the same team.
- (5) The real estate team disclosure must contain:
  - (a) The name and role of each member of the real estate team;
  - (b) Whether individual members of the real estate team are real estate licensees;
  - (c) The name of any members of the real estate team responsible for supervision and control of some or all members of the real estate team, if any;
  - (d) The name of the managing principal broker with whom the real estate licensees on the real estate team are associated,
  - (e) A statement that the real estate team is a subdivision of the registered business name; and
  - (f) A statement to the effect that the real estate team must have a disclosed limited agency agreement in place before any members of the real estate team may perform any professional real estate activities for a buyer or seller when the real estate team already represents :
    - (A) Another buyer or seller in the same real estate transaction; or
    - (B) Another buyer who wants to purchase the same property.
- (6) The Real Estate Agency will make available a sample of a real estate team disclosure that complies with section (5) of this rule on the Agency’s website.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: HB 3137, 2025 Regular Session

AMEND: 863-015-0145

RULE TITLE: Real Estate Transactions Involving a Licensee as a Principal to the Transaction

RULE SUMMARY: Integrated managing principal broker and authorized principal broker concepts into the rule.

RULE TEXT:

(1) If a real estate broker or principal broker, whether active or inactive, either directly or indirectly offers or negotiates for the sale, exchange, lease option, or purchase of real estate within this state and the licensee is a principal to the transaction, the licensee shall disclose to the other party to the offer or transaction that the licensee is a real estate licensee:

(a) On all advertising; and

(b) In writing on at least the first written document of agreement concerning the offer or transaction.

(2) The disclosure set forth on the first written document of agreement also shall state that the real estate licensee is self-represented as either the buyer or the seller in the transaction.

(3) Transactions described in section (1) of this rule of a principal broker shall be processed in the same manner as the licensee's other professional real estate activities and comply with the records requirements under OAR 863-015ex.

(4) Each transaction described in section (1) of this rule of a real estate broker or principal broker associated with a managing principal broker shall be conducted under the supervision of an authorized principal broker and all documents and funds shall be transmitted through the authorized principal broker.

(5) If the licensee holds an inactive license while an offer or transaction described in section (1) of this rule is being effected:

(a) The licensee shall place all funds received in or necessary to effect the offer or transaction into a neutral escrow depository within this state; and

(b) The licensee shall maintain documents concerning the matter as required under OAR 863-015-0250.

(6) This section applies to offers and transactions entered into by corporations, partnerships, limited partnerships, or other legal entities in which any real estate licensee, active or inactive, is an owner and where the licensee at any time participates in negotiations concerning the offer or transaction on behalf of the entity. As used in this rule, "owner" means an individual having an ownership interest equaling more than five percent of the total ownership interest in the legal entity.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.015, ORS 696.241, ORS 696.280, ORS 696.301, Chapter 389, (2025 Laws)

AMEND: 863-015-0150

RULE TITLE: Closing Real Estate Transactions

RULE SUMMARY: Inserted "authorized principal broker" into the rule.

RULE TEXT:

(1) Unless all parties to the transaction agree in writing to delegate the closing function to an escrow agent licensed in Oregon, an attorney, or another authorized principal broker engaged in the transaction, an authorized principal broker must promptly close any real estate transaction in which the authorized principal broker is the listing broker.

(2) A real estate broker associated with an authorized principal broker may handle a closing function only if authorized in writing by the authorized principal broker and only under the authorized principal broker's direct supervision. A copy of the written authorization bearing the authorized principal broker's signature must be maintained in the transaction file.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.022

AMEND: 863-015-0186

RULE TITLE: Clients' Trust Accounts — Disbursal of Disputed Funds

RULE SUMMARY: Introduced authorized principal broker language into the rule.

RULE TEXT:

- (1) An authorized principal broker may disburse disputed funds in a clients' trust account using the procedures in this rule or may disburse funds in a clients' trust account under the terms of a lawful contractual agreement, by law, or under the provisions of ORS Chapter 696, ORS Chapter 105, or OAR 863-025-0025.
- (2) For purposes of ORS 696.241(11) and this rule, "disputed funds" are funds in a clients' trust account delivered by a person to a principal broker pursuant to a written contract and the parties to such contract dispute the disbursal of the funds.
- (3) As soon as practicable after receiving a demand by one of the parties for the disbursal of funds in a clients' trust account, the authorized principal broker must deliver written notice to all parties that a demand has been made for disbursal of the funds, and that such funds may be disbursed to the party who delivered the funds within 20 calendar days of the date of the demand.
- (4) The written notice must include substantially the following information:
  - (a) A party has made a demand for disbursal of funds, and the authorized principal broker may disburse such funds from the clients' trust account to the party who delivered the funds, unless:
    - (A) The parties enter into a written agreement regarding disbursal of the funds and deliver such agreement to the principal broker within 20 calendar days of the date of the demand for disbursal; or
    - (B) A party provides proof to the authorized principal broker that the party has filed a legal claim to such funds within 20 calendar days of the date of the demand for disbursal;
  - (b) The authorized principal broker has no legal authority to resolve questions of law or fact regarding disputed funds in a clients' trust account;
  - (c) The disbursal of the funds from the clients' trust account to the party who delivered the funds will end the responsibility of the authorized principal broker to account for the funds but will not affect any right or claim a person may have to such funds; and
  - (d) Both parties may wish to seek legal advice on the matter.
- (5) Regardless of whether a party disputes the disbursal of funds as outlined in this rule, if the parties have not entered into a written agreement regarding such disbursal, or if a party has failed to provide proof of filing a legal claim, the authorized principal broker may disburse the disputed funds to the person who delivered the funds within 20 calendar days of the date of the demand for disbursal.
- (6) Nothing in this rule prevents an authorized principal broker from disbursing such funds pursuant to:

- (a) The terms of the original contract between the parties;
  - (b) Any subsequent agreement between the parties regarding the disbursal of funds; or
  - (c) The requirements of law.
- (7) Nothing in this rule prevents the authorized principal broker from filing an action to interplead the disputed funds.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.241, ORS 696.990, ORS 696.800 - 696.855

AMEND: 863-015-0200

RULE TITLE: Agency Relationships

RULE SUMMARY: Inserted managing principal broker and authorized principal broker concepts into the rule.

RULE TEXT:

(1) Unless the parties expressly agree to a different relationship not otherwise prohibited by law, the types of agency relationships a real estate licensee may establish in a real estate transaction are limited to the following:

(a) An agency relationship between a real estate licensee and the seller exclusively;

(b) An agency relationship between a real estate licensee and the buyer exclusively;

(c) A disclosed limited agency relationship where one or more real estate licensees associated with the same managing principal broker represents both the seller and the buyer in the same real estate transaction;

(d) A disclosed limited agency relationship where real estate licensees associated with the same managing principal broker are designated to represent, respectively, the buyer exclusively and the seller exclusively;

(e) A disclosed limited agency relationship where one or more real estate licensees associated with the same managing principal broker represent more than one buyer in the same real estate transaction.

(2) Unless the parties expressly agree to a different relationship not otherwise prohibited by law:

(a) A licensee representing a seller by written agreement or course of conduct establishes an agency relationship under sections (1)(a) or (d) above;

(b) A licensee representing a buyer by written agreement or course of conduct establishes an agency relationship under sections (1)(b) or (d) above;

(c) A licensee representing both a buyer and a seller or two or more buyers in the same real estate transaction is a disclosed limited agent of both the buyer and seller or all buyers under sections (1)(c) or (e) above,

(3) When an agency relationship is formed between a real estate licensee and a client under section (2) above, the following apply:

(a) In a real estate transaction in which one or more licensees associated with the same managing principal broker establish agency relationships with different parties to the transaction, the managing principal broker is a disclosed limited agent.

(b) An authorized principal broker who supervises the licensee becomes the client's disclosed limited agent;

(c) In a real estate transaction in which different real estate licensees supervised by the same authorized principal broker establish agency relationships with different parties to the real estate transaction, the authorized principal broker becomes a disclosed limited agent of both parties;

(d) In a real estate transaction in which one or more real estate licensees supervised by the same authorized principal broker establish agency relationships with more than one party to the real estate transaction, those licensees and the authorized principal broker become disclosed limited agents of those parties; and

(e) In a real estate transaction in which one or more members of a real estate team as defined in HB 3137 section 13 establishes agency relationships with more than one party to the real estate transaction, the disclosed limited agents to the parties are:

(A) The members of the real estate team;

(B) An authorized principal broker who supervises or controls the members of the real estate team; and

(C) The managing principal broker.

(4) Except as provided in sections (2) and (3) above, licensees associated with the same real estate business are not agents of all clients of the real estate business.

(5) Payment, or promise of payment, of a real estate commission or other fee does not by itself create an agency relationship.

(6) A managing principal brokers or authorized principal broker acting as a disclosed limited agent under section (3) above must do each of the following:

(a) Supervise the licensees in fulfilling their duties and obligations to their respective clients;

(b) Avoid advocating on behalf of either the seller or the buyer; and

(c) Avoid disclosing or using, without permission, confidential information of any client with whom the managing principal broker or authorized principal broker has an agency relationship.

(7) A real estate licensee who is acting as a disclosed limited agent under section (3) above must do both of the following:

(a) Serve as the agent of only the party or parties in the transaction with whom the real estate licensee has established an agency relationship; and

(b) Fulfill the duties owed to the respective client as set forth in ORS 696.815 and as agreed in a disclosed limited agency agreement entered into pursuant to OAR 863-015-0210.

(8) All real estate licensees associated with a managing principal broker who are acting as disclosed



limited agents under section (2) above must refrain from disclosing or using any confidential information relating to the other party that has been acquired as a result of the licensee's association with the managing principal broker, unless authorized to do so by that party.

(9) Nothing in this rule prohibits licensees from disclosing or using factual, non-confidential information relating to all parties to a transaction in order to fulfill a licensee's duties to the client under ORS 696.815.

(10) If an authorized principal broker acting as a disclosed limited agent under section (3) above determines that confidential information of one principal to a transaction has become known to another client in the transaction as the result of a violation of this rule, the authorized principal broker must promptly and fully disclose the violation to the affected client in writing.

(11) Affirmative duties under ORS 696.805 and 696.810, where appropriate, apply to the agents, principal, other principals, and the principals' agents. The duties do not, however, create fiduciary or other similar duties inconsistent with the actual legal relationship between an agent and other principals to a transaction or that principal's agents.

(12)(a) The Final Agency Acknowledgement of the agency relationships described in this rule and required by ORS 696.845 must be printed in substantially the following form:

"FINAL AGENCY ACKNOWLEDGEMENT

Both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and hereby acknowledge and consent to the following agency relationships in this transaction:

(1) \_\_\_\_\_ (Name of Buyer's Agent) of \_\_\_\_\_ (Name of Real Estate Firm) is the agent of (check one) ☐ The Buyer exclusively. ☐ The Seller exclusively (Seller Agency"). ☐ Both the Buyer and the Seller ("Disclosed Limited Agency").

(2) \_\_\_\_\_ (Name of Seller's Agent) of \_\_\_\_\_ (Name of Real Estate Firm) is the agent of (check one) ☐ The Seller exclusively. ☐ Both the Buyer and the Seller ("Disclosed Limited Agency").

(3) If both parties are each represented by one or more Agents in the same real estate firm, and the Agents are supervised by the same principal broker in that real estate firm, Buyer and Seller acknowledge that said principal broker shall become the disclosed limited agent for both Buyer and Seller as more fully explained in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and Agent(s).

Buyer shall sign this acknowledgment at the time of signing this Agreement before submission to Seller. Seller shall sign this acknowledgment at the time this Agreement is first submitted to Seller, even if this Agreement will be rejected or a counter offer will be made. Seller's signature to this Final Agency Acknowledgment shall not constitute acceptance of the Agreement or any terms therein.

## ACKNOWLEDGED

Buyer: \_\_\_\_\_ Print \_\_\_\_\_ Dated: \_\_\_\_\_

Buyer: \_\_\_\_\_ Print \_\_\_\_\_ Dated: \_\_\_\_\_

Seller: \_\_\_\_\_ Print \_\_\_\_\_ Dated: \_\_\_\_\_

Seller: \_\_\_\_\_ Print \_\_\_\_\_ Dated: \_\_\_\_\_

(b) If incorporated as a part of a preprinted agreement, the Final Agency Acknowledgement required by subsection (a) shall appear at the top of the first page of the preprinted agreement, separate and apart from the sale agreement and shall be signed separately from the sale agreement. If the Final Agency Acknowledgement required by subsection (a) is not included within a preprinted agreement, the Final Agency Acknowledgement shall also include the property address or legal description of the subject property, a reference to the attached sale agreement, and shall include separate signature lines for buyers and sellers."

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.805, ORS 696.810, ORS 696.815, Chapter 389,  
(2025 Laws)

AMEND: 863-015-0205

RULE TITLE: Disclosed Limited Agency

RULE SUMMARY: Integrated managing principal broker and authorized principal broker concepts into the rule.

RULE TEXT:

(1) Licensees must establish the agency relationships described in OAR 863-015-0200(1) only by written agreement. Such agreements must meet all the requirements of OAR 863-015-0210.

(2) A disclosed limited agency relationship exists when a single licensee undertakes by written agreement or course of conduct to represent more than one party to a real estate transaction. For the purpose of this rule, two or more buyers are involved in the same real estate transaction when all have submitted offers on the same real property.

(3) Except as provided for in section (5), a disclosed limited agency relationship exists when two or more licensees associated with the same managing principal broker undertake by written agreement or course of conduct to represent more than one party to a real estate transaction. Notwithstanding the other provisions of this rule, individual agents may be designated to represent the buyer exclusively or the seller exclusively as described in OAR 863-015-0200(1).

(4) The following conditions apply to the disclosed limited agency relationship described in OAR 863-015-0200(1):

(a) The authorized principal broker by whom the licensee is supervised must ensure that a licensee who represents one client will not have access to and will not obtain confidential information concerning another client involved in the same transaction;

(b) In situations where a real estate business has one or more authorized principal brokers who are not the managing principal broker, each authorized principal broker must be the disclosed limited agent of all clients in the transaction, unless each of the following conditions is met:

(A) The managing principal brokers executed a written supervisory agreement with one or more of the authorized principal brokers dividing control and supervision responsibilities. Authorized principal brokers may comply with subsection (a) above by holding open records of real estate activity in different offices or by otherwise initiating procedures that secure open records so as to prevent licensees representing different parties to the same transaction from accessing or obtaining confidential information concerning another party to the transaction;

(B) The licensees designated to represent the seller exclusively and the buyer exclusively are associated with the same authorized principal broker. If the authorized principal broker has an existing agency relationship with one party to the transaction (either as a seller's agent or buyer's agent), the authorized principal broker, pursuant to the requirements of OAR 863-015-0210, must act as the disclosed limited agent of both parties, and another licensee must be designated to represent the other party exclusively; and

(C) Each client to the transaction has signed a disclosed limited agency agreement that indicates which

principal broker will act as the disclosed limited agent in the transaction.

(5) If a managing principal broker has executed a written supervisory agreement with authorized principal brokers dividing control and supervision responsibilities, and the authorized principal brokers have individually complied with subsection (4)(a) above by holding open records of real estate activity in different offices or by otherwise initiating procedures that secure open records in such a way as to prevent licensees representing different parties to the same transaction from accessing or obtaining confidential information concerning another principal in the transaction, then a transaction involving agents supervised by different authorized principal brokers creates a disclosed limited agency transaction for the managing principal broker only.

STATUTORY/OTHER AUTHORITY: 696.385

STATUTES/OTHER IMPLEMENTED: 696.805, 696.810, 696.815, Chapter 389, (2025 Laws)

AMEND: 863-015-0210

RULE TITLE: Disclosed Limited Agency Agreement

RULE SUMMARY: Added managing principal broker to the rule.

RULE TEXT:

(1) Disclosed limited agency agreements required by ORS 696.815 must be in writing, signed and dated by the parties to be bound or by their duly appointed real estate agents.

(2) Each disclosed limited agency agreement must contain the following:

(a) The registered business name under which the representation will take place;

(b) Identification of any existing listing or service agreement between the parties to the disclosed limited agency agreement;

(c) The name(s) of the licensee(s), including the managing principal broker, who will represent the client; and

(d) A plain language description of the requirements of ORS 696.815;

(e) Full disclosure of the duties and responsibilities of an agent who represents more than one party to a real estate transaction. This requirement can be met by providing the client with a copy of the initial agency disclosure pamphlet required by ORS 696.820, discussing the portion of the pamphlet entitled "Duties and Responsibilities of an Agent Who Represents More than One Party to a Transaction" with the client, and incorporating the pamphlet into the disclosed limited agency agreement by reference; and

(f) Consent and agreement between the parties to the disclosed limited agency agreement regarding representation of the client in future transactions.

(3) Use of a disclosed limited agency agreement for sellers in substantially the following form is prima facie evidence of compliance with sections (1) and (2) of this rule:

"Property Address \_\_\_\_\_

Addendum to Listing Agreement Dated \_\_\_\_\_

Real Estate Firm \_\_\_\_\_

#### DISCLOSED LIMITED AGENCY AGREEMENT FOR SELLER

The Parties to this Disclosed Limited Agency Agreement are:

Listing Agent (print) \_\_\_\_\_

Listing Agent's Principal Broker (print) \_\_\_\_\_

Seller (print) \_\_\_\_\_

Seller (print) \_\_\_\_\_

The Parties to this Agreement understand that Oregon law allows a single real estate agent to act as a disclosed limited agent — to represent both the seller and the buyer in the same real estate transaction, or multiple buyers who want to purchase the same property. It is also understood that when different agents associated with the same principal broker (the broker who directly supervises the other agents) establish agency relationships with the buyer and seller in a real estate transaction, the agents' principal broker shall be the only broker acting as a disclosed limited agent representing both seller and buyer. The other agents shall continue to represent only the party with whom they have an established agency relationship, unless all parties agree otherwise in writing.

In consideration of the above understanding, and the mutual promises and benefits exchanged here and in the Listing Agreement, the Parties now agree as follows:

(1) Seller acknowledge they have received the initial agency disclosure pamphlet required by ORS 696.820 and have read and discussed with the Listing Agent that part of the pamphlet entitled "Duties and Responsibilities of an Agent Who Represents More than One Party to A Transaction." The initial agency disclosure pamphlet is hereby incorporated into this Disclosed Limited Agency Agreement by reference.

(2) Seller, having discussed with the Listing Agent the duties and responsibilities of an agent who represents more than one party to a transaction, consent and agree as follows:

(a) The Listing Agent and the Listing Agent's Principal Broker, in addition to representing Seller, may represent one or more buyers in a transaction involving the listed property;

(b) In a transaction involving the listed property where the buyer is represented by an agent who works in the same real estate business as the Listing Agent and who is supervised by the Listing Agent's Principal Broker, the Principal Broker may represent both Seller and Buyer. In such a situation, the Listing Agent will continue to represent only the Seller and the other agent will represent only the Buyer, consistent with the applicable duties and responsibilities as set out in the initial agency disclosure pamphlet; and

(c) In all other cases, the Listing Agent and the Listing Agent's Principal Broker shall represent Seller exclusively.

Seller signature \_\_\_\_\_

Date \_\_\_\_\_

Seller signature \_\_\_\_\_

Date \_\_\_\_\_

Listing Agent signature \_\_\_\_\_

Date \_\_\_\_\_

(On their own and on behalf of Principal Broker)

Broker initial and review date \_\_\_\_\_ "

(4) Use of a disclosed limited agency agreement for buyers in substantially the following form is prima facie evidence of compliance with sections (1) and (2) of this rule.

"Property Address \_\_\_\_\_

Addendum to Buyer Service Agreement Dated \_\_\_\_\_

Real Estate Firm \_\_\_\_\_

#### DISCLOSED LIMITED AGENCY AGREEMENT FOR BUYER

The Parties to this Disclosed Limited Agency Agreement are:

Buyer's Agent (print) \_\_\_\_\_

Buyer's Agent's Principal Broker (print) \_\_\_\_\_

Buyer (print) \_\_\_\_\_

Buyer (print) \_\_\_\_\_

The Parties to this Agreement understand that Oregon law allows a single real estate agent to act as a disclosed limited agent — to represent both the seller and the buyer in the same real estate transaction, or multiple buyers who want to purchase the same property. It is also understood that when different agents associated with the same principal broker (the broker who directly supervises the other agents) establish agency relationships with the buyer and seller in a real estate transaction, the agents' principal broker shall be the only broker acting as a disclosed limited agent representing both seller and buyer. The other agents shall continue to represent only the party with whom they have an established agency relationship, unless all parties agree otherwise in writing.

In consideration of the above understanding, and the mutual promises and benefits exchanged here and, if applicable, in the Buyer Service Agreement, the Parties now agree as follows:

(1) Buyer(s) acknowledge they have received the initial agency disclosure pamphlet required by ORS 696.820 and have read and discussed with the Buyer's Agent that part of the pamphlet entitled "Duties and Responsibilities of an Agent Who Represents More than One Party to A Transaction." The initial agency disclosure pamphlet is hereby incorporated into this Disclosed Limited Agency Agreement by

reference.

(2) Buyer(s), having discussed with Buyer's Agent the duties and responsibilities of an agent who represents more than one party to a transaction, consent and agree as follows:

(a) Buyer's Agent and the Buyer's Agent's Principal Broker, in addition to representing Buyer, may represent the seller or another buyer in any transaction involving Buyer;

(b) In a transaction where the seller is represented by an agent who works in the same real estate business as the Buyer's Agent and who is supervised by the Buyer's Agent's Principal Broker, the Principal Broker may represent both seller and Buyer. In such a situation, the Buyer's Agent will continue to represent only the Buyer and the other agent will represent only the Seller, consistent with the applicable duties and responsibilities set out in the initial agency disclosure pamphlet;

(c) In all other cases, the Buyer's Agent and the Buyer's Agent's Principal Broker shall represent Buyer exclusively.

Buyer signature \_\_\_\_\_

Date \_\_\_\_\_

Buyer signature \_\_\_\_\_

Date \_\_\_\_\_

Buyer's Agent signature \_\_\_\_\_

Date \_\_\_\_\_

(On their own and on behalf of Principal Broker)

Broker initial and review date \_\_\_\_\_"

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.805, ORS 696.810, ORS 696.815



AMEND: 863-015-0250

RULE TITLE: Professional Real Estate Activity Records and Document Transmittal Requirements

RULE SUMMARY: Introduced buyer representation and authorized principal broker concepts to the rule.

RULE TEXT:

(1) Complete and adequate records of professional real estate activity include complete, legible, and permanent copies of all documents required by law or voluntarily generated during a real estate transaction, including all offers received by or through real estate brokers or principal brokers to the client, including, but not limited to, the following:

(a) A copy of any written agreement creating an agency relationship between a real estate broker or principal broker and a client that must be signed by all parties to the agreement.

(b) A copy of any written acknowledgment of an agency relationship between a real estate broker or principal broker and a client that must be signed by all parties to such acknowledgment.

(c) A copy of any written agreement for a listing, buyer representation, sale, purchase, rental, lease, lease option, or exchange of real property generated by a real estate broker or principal broker while engaging in professional real estate activity that must be signed by all parties to such agreement.

(d) A copy of any receipt issued by a real estate broker or principal broker to evidence acceptance of funds or documents.

(e) A copy of any vouchers or bills or obligations paid by the real estate broker or principal broker for the account of a client or customer.

(f) A copy of any other document within the scope of the agency relationship provided to or received by a client through a real estate broker or principal broker during the term of an agency relationship.

(g) All financial records as required in OAR 863-015-0255 and 863-015-0275.

(2) When a real estate licensee receives any document referred to in (1) of this rule, the real estate licensee must transmit the document to the licensee's authorized principal broker within 3 banking days of real estate broker's receipt of the document.

(3) In any real estate transaction in which an authorized principal broker performed or supervised the closing, the authorized principal broker must retain a copy of any closing statement showing receipts, disbursements and adjustments, which must contain the signatures of the seller(s) and the buyer(s).

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.280, Chapter 389, (2025 Laws)

AMEND: 863-015-0255

RULE TITLE: Clients' Trust Account Requirements

RULE SUMMARY: Added managing principal broker and authorized principal broker to the rule.

RULE TEXT:

- (1) This rule applies to clients' trust accounts that hold funds from transactions involving the sale, purchase, lease option, or exchange of real property. The purpose of clients' trust accounts is to preserve clients' monies and keep them separate from the principal broker's general and personal funds.
- (2) Within 10 business days from the date a clients' trust account is opened, the authorized principal broker must notify the Agency using an online process established by the Agency. The notification will include the information required in ORS 696.245, including a copy of the completed and signed "Notice of Clients' Trust Account and Authorization to Examine."
- (3) Within 10 business days from the date a clients' trust account is closed or transferred, the authorized principal broker must notify the Agency using an online process established by the Agency.
- (4) Authorized principal brokers must retain and store the records described in this rule as required by OAR 863-015-0250 and 863-015-0260. However, where clients' trust accounts are maintained at branch offices, the financial records described in this rule may be maintained and located either at the managing principal broker's main office or, if the authorized principal broker conducts the real estate business from that branch office, at that branch office.
- (5) Checks used to disburse funds from a clients' trust account must be pre-numbered, issued from one numbering sequence, and bear the words "Clients' Trust Account" or "Client Trust Account" upon the face thereof. Principal brokers must account for all checks, including voided checks, as a part of the records they maintain.
- (6) A managing principal broker may not use or allow the use of any form of debit card on clients' trust accounts.
- (7) The authorized principal broker must retain a copy of each executed agreement required under ORS 696.241 and OAR 863-015-0265 for interest-bearing clients' trust accounts.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.241, ORS 696.280, Chapter 389, (2025 Laws)

AMEND: 863-015-0257

RULE TITLE: Receiving and Disbursing Funds

RULE SUMMARY: Inserted managing principal broker and authorized principal broker language into the rule.

RULE TEXT:

(1) A real estate broker or principal broker must deliver to the authorized principal broker within three banking days any money, checks, drafts, warrants, promissory notes, or other consideration received while conducting professional real estate activity. Absent the buyer's written instructions to the contrary, the real estate broker must transmit all earnest monies to the authorized principal broker within three banking days of receipt.

(2) If a real estate broker or principal broker receives a check as earnest money in a transaction:

(a) The check may be held un-deposited until the offer is accepted or rejected, provided that the written sale agreement states that the real estate broker or principal broker is holding the check un-deposited and further states where and when the check will be deposited upon acceptance of the offer; or

(b) If the check is made payable to the seller, the check may be held until the offer is accepted or rejected provided that the written sale agreement states that the real estate broker or principal broker is holding the check until acceptance of the offer.

(3) For a check held pursuant to section (2), the real estate broker or principal broker within three banking days following the acceptance of the offer or a subsequent counter offer must:

(a) Deposit the check into a clients' trust account established under ORS 696.241;

(b) Deposit the check to a licensed neutral escrow depository located within this state, tracking the earnest money deposit from the buyer to the principal broker and to the escrow depository; or

(c) For a check made payable to the seller, deliver the check to the seller.

(4) For all other funds not earnest money, whether in the form of money, checks, drafts or warrants belonging to others and received by a real estate broker or principal broker while engaged in professional real estate activity, the real estate broker or principal broker within five banking days following receipt of the funds must:

(a) Deposit the funds to a licensed neutral escrow depository located within this state;

(b) Deposit the funds into a clients' trust account established under ORS 696.241; or

(c) For a check made payable to the seller, deliver the check to the seller.

(5) If an authorized principal broker accepts a credit card payment as funds in a real estate transaction:

- (a) The face amount of the credit card payment, without reducing the face amount by any merchant's discount and processing fee charged to the principal broker, is the amount he or she must maintain, use, and refund as necessary; or
  - (b) The face amount of the credit card payment, reduced by any merchant's discount and processing fee, may be maintained and used by the authorized principal broker when he or she has a separate written agreement signed by the credit card user authorizing this reduction. The face amount, including any merchant's discount and processing fees paid by the credit card user, must be refunded to the credit card user when a refund is necessary;
  - (c) The authorized principal broker may not benefit from any of the merchant's discounts or processing fees generated by the use of a credit card;
  - (d) An authorized principal broker's clients' trust account may not be charged or debited for any merchant's discount or processing fees for use of the credit card in such transaction.
- (6) If a real estate licensee is a principal in an offer or transaction, all earnest money or other deposits must be handled as provided in OAR 863-015-0145.
- (7) All funds deposited into a clients' trust account established under ORS 696.241 and not disbursed or transferred to a neutral escrow depository pursuant to the sale agreement may only be disbursed:
- (a) To individuals, as directed by order of court of competent jurisdiction;
  - (b) To individuals, as directed in writing by one or more principals;
  - (c) To the court, upon filing by the principal broker of an interpleader action for disputed earnest money funds; or
  - (d) As provided in OAR 863-015-0186.
- (8) If interest earned in a clients' trust account under OAR 863-015-0265 inures to the benefit of the managing principal broker, such interest must be disbursed to the managing principal broker within ten calendar days from the date of the bank statement on which such interest first appears.
- (9) If any forfeited earnest money, earnest money or other money is being paid to the principal broker for compensation and is being held in the client's trust account at the time the transaction is completed or terminated, the money must be disbursed to the managing principal broker within ten calendar days from the date the transaction is completed or terminated.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: Chapter 234, 2017 Laws, Chapter 389, (2025 Laws)

AMEND: 863-015-0259

RULE TITLE: Recordkeeping and Tracking of Received Funds

RULE SUMMARY: Inserted authorized principal broker terminology.

RULE TEXT:

(1) For all funds received under OAR 863-015-0257, the authorized principal broker must comply with the following requirements:

- (a) Account for all funds received,
- (b) Maintain a copy of any check received, and
- (c) Maintain a dated, acknowledged receipt for any check returned to the offeror.

(2) For all checks received under OAR 863-015-0257 made payable to the seller, the principal broker must also keep the following information:

- (a) Date received,
- (b) Name of payor,
- (c) Purpose of payment,
- (d) File reference assigned to the offer or transaction,
- (e) Date delivered to seller, and
- (f) Documentation of delivery to the seller.

(3) Every deposit made under ORS 696.241 must be made with deposit slips identifying each offer or transaction by a written notation of the file reference assigned to the offer or transaction.

(4) Authorized principal brokers must maintain a complete ledger account and record all funds received in their professional real estate activity. This ledger account must show:

- (a) From whom the funds were received,
  - (b) The date the funds were received,
  - (c) The date the funds were deposited,
  - (d) Where the funds were deposited, and
  - (e) When the transaction has been completed or the offer has failed, the final disposition of the funds.
- (5) Authorized principal brokers must record and track the transfer of promissory notes and other

forms of consideration by a ledger account or by other means including, but not limited to, written proof of transmittal or receipt retained in their offer or transaction file.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.241, Chapter 234, 2017 Laws

AMEND: 863-015-0260

RULE TITLE: Records Retention

RULE SUMMARY: Inserted authorized principal broker terminology.

RULE TEXT:

- (1) Authorized principal brokers must maintain and store complete and accurate records of professional real estate activity, pursuant to ORS 696.280 and OAR 863-015-0250.
- (2) Authorized principal brokers must store records in a secure location protected from unauthorized access.
- (3) Records must be stored in a way that prevents unauthorized alteration.
- (4) Authorized principal brokers must maintain records in a manner that readily allows for inspection by the Commissioner or the Commissioner's authorized representatives under ORS 696.280.
- (5) Authorized principal brokers must, at their expense, provide copies of any records the Agency requests in the manner and form as directed by the Agency.
- (6) Electronic signature records and document routing information must be preserved when electronic signature services are used.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.280

AMEND: 863-015-0275

RULE TITLE: Clients' Trust Account Reconciliation and Records

RULE SUMMARY: Inserted authorized principal broker terminology.

RULE TEXT:

(1) An authorized principal broker must reconcile each clients' trust account at least once each month. The reconciliation must comply with all of the following conditions:

(2) The reconciliation must have three components:

(a) The bank statement balance, adjusted for outstanding checks and other reconciling bank items;

(b) The balance of the receipts and disbursements journal or check book register as of the bank statement closing date; and

(c) The sum of all the balances of the individual trust account ledgers as of the bank statement closing date.

(3) The balances of each component of the reconciliation must be equal to and reconciled with each other. If any adjustment is needed, the adjustment must be clearly identified and explained.

(4) The authorized principal broker must verify, sign, and date the reconciliation when completed.

(5) Outstanding checks must be listed by check number, issue date, payee, and amount.

(6) The authorized principal broker must preserve and file in logical sequence the reconciliation worksheet, bank statements, and all supporting documentation, including but not limited to, copies of the receipts and disbursements journal or check book register and a listing of each individual clients' trust fund account with a balance as of the reconciliation date. If these records are computerized, they must be printed out for filing with the reconciliation.

(7) All reconciling items must be identified and cleared promptly.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.280, 696.241



AMEND: 863-020-0000

RULE TITLE: Applicability and Purpose

RULE SUMMARY: Added the new State and Federal Fair Housing course to the rule and adjusted hours of other courses correspondingly.

RULE TEXT:

(1) This division applies to real estate broker, principal real estate broker, and real estate property manager licensees. It also applies to continuing education providers and instructors who teach courses for continuing education providers. It does not apply to timeshare sales agents.

(2) For all applicable real estate licensees, the purpose of this division is to set forth continuing education requirements for licensee renewals, including:

(a) Courses that meet the requirements for course topics and learning objectives in this division 20;

(b) A Board-approved Law and Rule Required Course, described in OAR 863-022-0055, required for all applicable licensees;

(c) A Board-approved State and Federal Fair Housing Course, described in OAR 863-022-0057, required for all applicable licensees;

(d) A 26-hour broker advanced practices course, described in OAR 863-022-0020, required for real estate brokers before the first active renewal of the broker's license or before the first license reactivation following an inactive first renewal;

(e) A 26-hour principal broker advanced practices course described in OAR 863-022-0021, required for principal real estate brokers before the first active renewal of the principal broker's license or before the first license reactivation following an inactive first renewal;

(f) A 26-hour property manager advanced practices course described in OAR 863-022-0022, required for licensed real estate property managers before the first active renewal of the property manager's license or before the first license reactivation following an inactive first renewal;

(g) The 40-hour brokerage administration and sales supervision course, described in OAR 863-022-0025, for an initial principal real estate broker license application; and

(h) Continuing education record-keeping requirements for all applicable licensees.

(3) For continuing education providers, the purpose of this division is to set forth:

(a) The application requirements for certification as a real estate continuing education course provider; and

(b) The responsibilities of continuing education course providers; including:

(A) Ensuring that courses offered by the provider meet the eligible course topics, learning objectives,

and length of course requirements;

(B) Maintaining required records in paper or electronic format, as directed by the Agency.

(C) Providing real estate licensees with certificates of completion for each course that meet the requirements for certificates of completion; and

(D) Ensuring that each instructor who will teach a course offered by a provider meets instructor qualifications and completes a continuing education instructor form.

(4) For instructors who teach courses for continuing education providers, the purpose of this division is to set forth the instructor qualifications, set out on the instructor form that is completed by the instructor and given to the continuing education provider.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, ORS 696.182, ORS 696.184, ORS 696.186, Chapter 389, (2025 Laws)

AMEND: 863-020-0005

RULE TITLE: Definitions

RULE SUMMARY: Added a definition for State and Federal Fair Housing course and excluded timeshare sales agents from the definition of licensee.

RULE TEXT:

As used in this division, unless the context requires otherwise:

- (1) "Agency" means the Oregon Real Estate Agency.
- (2) "Applicant" means either an individual as defined in section (8) of this rule, or a person as defined in section (12) of this rule.
- (3) "Board" means the Oregon Real Estate Board.
- (4) "Commissioner" means the Real Estate Commissioner.
- (5) "Continuing education credit hour" means one hour of instruction provided by a continuing education provider.
- (6) "Continuing education provider" means a person certified by the Agency under OAR 863-020-0030 to offer real estate continuing education courses that are eligible for credit. The continuing education courses are taught by an instructor.
- (7) "Course identification number" means a unique four-digit identifying course number assigned by a continuing education provider or as assigned by the Oregon Real Estate Agency.
- (8) "Individual" means a human being, not a legal entity.
- (9) "Instructor" means an individual who teaches, for a continuing education provider, a real estate continuing education course that is eligible for credit. An instructor must meet the qualifications in ORS 696.186 and OAR 863-020-0060. The Agency does not certify instructors.
- (10) "Law and Rule Required Course" is that course described in OAR 863-022-0055.
- (11) "Licensed real estate property manager" is defined in ORS 696.010.
- (12) "Person" means any individual, partnership, corporation, association, governmental subdivision, or public or private organization of any character other than a government agency.
- (13) "Principal real estate broker" is defined in ORS 696.010.
- (14) "Provider number" means a unique identifying number assigned by the Agency to a certified continuing education provider under OAR 863-020-0030.
- (15) "Real estate broker" is defined in ORS 696.010.

(16) “Real estate licensee” is defined in ORS 696.010 and includes a real estate broker, principal real estate broker, and a real estate property manager, but does not include timeshare sales agents for the purposes of this division.

(17) “State and federal fair housing course” means the course in state and federal housing laws provided in HB 3137 section 9 and described in OAR 863-022-0057.

(17) “Broker advanced practices course” means the advanced course in real estate practices provided in ORS 696.174.

(18) “Property manager advanced practices course” means the advanced course in property management practices provided in ORS.696.174.

(19) “Principal broker advanced practices course” means the advanced course in brokerage practices provided in ORS 696.174.

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STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, ORS 696.182, ORS 696.186, Chapter 389, (2025 Laws)

AMEND: 863-020-0010

RULE TITLE: License Renewal Continuing Education Requirements

RULE SUMMARY: Added Fair Housing Course requirements and adjusted other course hours.

RULE TEXT:

- (1) This rule applies to all real estate licensees except timeshare sales agents.
- (2) To renew an active license, a real estate licensee must provide course information in an online renewal application which demonstrates that the licensee:
  - (a) Has completed at least 26 hours of real estate continuing education that are eligible for credit under OAR 863-020-0035 and 863-020-0040 during the two years preceding renewal,
  - (b) Has completed the Board-approved Law and Rule Required Course described in OAR 863-022-0055, and
  - (c) Has completed the Board-approved State and Federal Fair Housing Course described in OAR 863-022-0057.
- (3) To renew an active license for the first time or before the first license reactivation following an inactive first renewal, a real estate broker, a principal real estate broker, or a licensed real estate property manager must provide course information in the online renewal or reactivation application which demonstrates compliance with the following:
  - (a) A real estate broker must complete:
    - (A) The 26-hour broker advanced practices course described in OAR 863-022-0020,
    - (B) A Law and Rule Required Course described in OAR 863-022-0055, and
    - (b) A State and Federal Fair Housing Course described in OAR 863-022-0057.
  - (c) A principal real estate broker must complete:
    - (A) The 26-hour principal broker advanced practices course described in OAR 863-022-0021,
    - (B) A Law and Rule Required Course described in OAR 863-022-0055, and
    - (C) A State and Federal Fair Housing Course described in OAR 863-022-0057.
  - (d) A licensed real estate property manager must complete:
    - (A) The 26-hour property manager advanced practices course described in OAR 863-022-0022.,
    - (B) A Law and Rule Required Course described in OAR 863-022-0055, and

(C) A State and Federal Fair Housing Course described in OAR 863-022-0057.

(4) A real estate licensee will not be given credit for repeating a continuing education course with the same content during a two-year renewal period.

(5) A licensee who falsely certifies that the licensee has completed the required continuing education violates sections (2) or (3) of this rule and is subject to discipline under ORS 696.301.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.022, ORS 696.174, ORS 696.301, Chapter 389,  
(2025 Laws)

AMEND: 863-020-0015

RULE TITLE: Licensee Records

RULE SUMMARY: Added authorized principal broker terminology.

RULE TEXT:

(1) A real estate licensee must maintain the licensee's certificates of completion the licensee received from continuing education providers for three years after the renewal date for which the continuing education credit applies.

(2) An authorized principal broker is not required to maintain the continuing education records of a real estate broker, principal real estate broker, or property manager under the supervision of the authorized principal broker.

(3) Upon request by the Agency, a licensee must produce a copy of the records required under this rule.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174

AMEND: 863-020-0035

RULE TITLE: Courses Offered by Continuing Education Providers

RULE SUMMARY: Add Fair Housing course to the rule.

RULE TEXT:

(1) This rule applies to continuing education courses offered by continuing education providers except for the broker advanced practices course, the principal broker advanced practices course, the property manager advanced practices course, and the brokerage administration sales and supervision course. If the provider wishes to offer those courses, the provider may seek separate course approval under OAR chapter 863, division 22.

(2) A continuing education provider must ensure that a specific class or course offered is within the scope of one or more course topics listed in section (4) or (5) of this rule. The provider must also identify to real estate licensees which course topic(s) is covered by the course. The Agency will not determine whether individual courses or classes are within the scope of an eligible course topic.

(3) Each course offered for continuing education credit:

(a) Must meet all course requirements under this rule,

(b) Must meet the requirements for the length of the course under OAR 863-020-0007,

(c) Must meet the requirements for learning objectives in OAR 863-020-0045, and

(d) May be presented in a classroom or online setting.

(4) The following course topics are eligible for real estate continuing education credit required by ORS 696.174 and OAR 863-020-0010:

(a) Principal broker or property manager record-keeping.

(b) Principal real estate broker supervision responsibilities.

(c) Principal broker or property manager clients' trust accounts.

(d) Agency relationships and responsibilities for brokers, principal brokers, or property managers.

(e) Misrepresentation in real estate transactions.

(f) Property management.

(g) Advertising regulations.

(h) Real estate disclosure requirements.

(i) Real estate consumer protection.



- (j) Anti-trust issues in real estate transactions.
- (k) Commercial real estate.
- (L) Real estate contracts.
- (m) Real estate taxation.
- (n) Real estate property evaluation, appraisal, or valuation.
- (o) Fair Housing laws or policy.
- (p) Managing a real estate brokerage.
- (q) Business ethics.
- (r) Risk management.
- (s) Dispute resolution.
- (t) Real estate finance.
- (u) Real estate title.
- (v) Real estate escrows.
- (w) Real estate development.
- (x) Condominiums.
- (y) Subdivisions.
- (z) Unit owner or home owner associations.
- (aa) Timeshares.
- (bb) Water rights.
- (cc) Environmental protection issues in real estate.
- (dd) Land use planning, zoning, or other public limitations on use.
- (ee) Real estate economics.
- (ff) Real estate law or regulation.

(gg) Negotiation.

(5) The Law and Rule Required Course as described in OAR 863-022-0055 is eligible for continuing education credit.

(6) The State and Federal Fair Housing Course as described in OAR 863-022-0057 is eligible for continuing education credit.

(7) The required course for timeshare sales agents as described in OAR 863-022-XXXX is eligible for continuing education credit for real estate brokers and principal real estate brokers only.

(8) The following do not fall within the scope of an eligible continuing education course topic listed under section (4) of this rule:

(a) Real estate broker or property manager pre-licensing courses.

(b) Examination preparation classes.

(c) Sales meetings.

(d) Motivational classes or seminars.

(e) Time management classes or seminars.

(f) Sales and marketing classes or seminars.

(g) Psychology classes or seminars.

(h) Trade association orientation courses.

(i) Courses in standardized computer software programs not specifically related to the topics listed in section (4) of this rule.

(j) Courses with content that is specific to another state or jurisdiction.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, ORS 696.184, Chapter 389, (2025 Laws)

AMEND: 863-020-0040

RULE TITLE: Certain Courses Required for License Renewal that are Also Eligible for Continuing Education Credit

RULE SUMMARY: Adjusted CE course hours down in line with removal of fair housing component from the Law and Rule Required Course.

RULE TEXT:

(1) In addition to the eligible courses under OAR 863-020-0035 the courses listed in subsection (2) through (4) of this rule are eligible for continuing education credit.

(2) An Agency-approved 26-hour broker advanced practices course that meets the requirements of OAR 863-022-0020.

(3) An Agency-approved 26-hour principal broker advanced practices course that meets the requirements of OAR 863-022-0021.

(4) An Agency-approved 26-hour property manager advanced practices course that meets the requirements of OAR 863-022-0022.

(5) An Agency-approved 40-hour brokerage administration and sales supervision course that meets the requirements of OAR 863-022-0015.

(6) Certification as a continuing education provider does not authorize the provider to offer the broker advanced practices course, the principal broker advanced practices course, the property manager advanced practices course, or the brokerage administration sales and supervision course. If the provider wishes to offer those courses, the provider may seek separate course approval under OAR chapter 863, division 22.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.022, 696.174, 696.184

AMEND: 863-020-0050

RULE TITLE: Continuing Education Provider Responsibilities

RULE SUMMARY: Add the separate Fair Housing course to the rule.

RULE TEXT:

(1) For each course offered, a continuing education provider must:

(a) Ensure that a course offered for continuing education credit is within the scope of one or more course topics listed in OAR 863-020-0035(3) or is a Law and Rule Required Course under OAR 863-022-0055;

(b) Identify to real estate licensees the course eligibility for continuing education credit as one of the following:

(A) A continuing education course under OAR 863-020-0035 and which course topic(s) the offered course covers,

(B) The course is the Law and Rule Required Course under OAR 862-022-0055,

(C) The course is the broker advanced practices course under OAR 863-022-0020,

(D) The course is the principal broker advanced practices course under OAR 863-022-0021,

(E) The course is the property manager advanced practices course under OAR 863-022-0022,

(F) The course is the brokerage administration and sales supervision course under OAR 863-022-0025,  
or

(G) The course is the State and Federal Fair Housing Course under OAR 863-022-0057;

(c) Ensure that the course meets the requirements for the length of a course under OAR 863-20-0007;

(d) Assign to each course a unique identifying course number;

(e) Ensure that courses offered under OAR 863-020-0035 meet the learning objective requirements contained in 863-020-0045; and

(f) Ensure that the instructor who teaches a continuing education course offered for credit:

(A) Meets the requirements set forth in ORS 696.186, and

(B) Completes and signs the form required by OAR 863-020-0060.

(2) A continuing education provider may provide the broker advanced practices course, the principal broker advanced practices course, the property manager advanced practices course, or the brokerage administration and sales supervision course only if the provider and the course have been approved

under OAR 863, division 22.

(3) A continuing education provider must keep records as required by OAR 863-020-0055.

(4) A continuing education provider must give each licensee who completes a course a completed certificate of completion that includes:

(a) The licensee's name and license number;

(b) The name of the course;

(c) The name of the certified course provider and provider number;

(d) The course identification number assigned by the course provider or as assigned by the Oregon Real Estate Agency;

(e) Identification of the course eligibility for continuing education credit as one of the following:

(A) A continuing education course under OAR 863-020-0035 and which course topic(s) the offered course covers,

(B) The course is the Law and Rule Required Course under OAR 862-022-0055,

(C) The course is the broker advanced practices course under OAR 863-022-0020,

(D) The course is the principal broker advanced practices course under OAR 863-022-0021,

(E) The course is the property manager advanced practices course under OAR 863-022-0022,

(F) The course is the brokerage administration and sales supervision course under OAR 863-022-0025,  
or

(G) The course is the State and Federal Fair Housing Course under OAR 863-022-0057;

(f) The date and location of the course;

(g) The length of time of each course; and

(h) The name of the instructor who taught the course.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, ORS 696.182, ORS 696.184, Chapter 389,  
(2025 Laws)

AMEND: 863-022-0000

RULE TITLE: Applicability and Purpose

RULE SUMMARY: Inserted Fair Housing course and new course for timeshare sales agents.

RULE TEXT:

(1) This division applies to:

(a) Real estate license applicants,

(b) Real estate licensees,

(c) Persons seeking Agency approval of the following courses:

(A) The education courses for real estate broker license applicants,

(B) The education course for property manager license applicants, and

(C) The education course for timeshare sales agents.

(d) Certified continuing education providers seeking approval of the following courses:

(A) The brokerage administration and sales supervision course for principal broker license applicants,

(B) The broker advanced practices course required for real estate brokers seeking their first active license renewal,

(C) The principal broker advanced practices course required for principal real estate brokers seeking their first active license renewal, or

(D) The property manager advanced practices course for licensed real estate property managers seeking their first active renewal.

(e) Certified continuing education providers who offer the Law and Rule Required Course described in OAR 863-022-0055.

(f) Certified continuing education providers who offer the State and Federal Fair Housing Course.

(2) This division sets forth the following course requirements for license applicants and licensees:

(a) The course of study required by OAR 863-014-0035 for real estate broker license applicants;

(b) The course required by OAR 863-024-0045 for property manager license applicants;

(c) The brokerage administration and sales supervision course required by OAR 863-014-0040 for principal broker license applicants;

- (d) The broker advanced practices course required by OAR 863-020-0010 for real estate brokers seeking their first active license renewal;
  - (e) The principal broker advanced practices course required by OAR 863-020-0010 for principal real estate brokers seeking their first active license renewal;
  - (f) The property manager advanced practices course required by OAR 863-020-0010 for licensed real estate property managers seeking their first active renewal; and
  - (g) The course required by OAR 863-022-XXXX for timeshare sales agents.
- (3) This division sets forth the application processes for Agency approval of the following:
- (a) The course of study required by OAR 863-014-0035 for real estate broker license applicants, the course required by OAR 863-024-0045 for property manager license applicants, or the course required by OAR 863-022-XXXX for timeshare sales agents;
  - (b) The brokerage administration and sales supervision course required by OAR 863-014-0040 for principal broker license applicants;
  - (c) The broker advanced practices course required by OAR 863-020-0010 for real estate brokers seeking their first active license renewal;
  - (d) The principal broker advanced practices course required by OAR 863-020-0010 for principal real estate brokers seeking their first active license renewal;
  - (e) The property manager advanced practices course required by OAR 863-020-0010 for licensed real estate property managers seeking their first active renewal;
  - (f) The Law and Rule Required Course required for all actively renewing licensees under OAR 863-020-0010, excluding timeshare sales agents; and
  - (g) The State and Federal Fair Housing Course required for all actively renewing licensees under OAR 863-020-0010.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, 696.182, 696.184, Chapter 389, (2025 Laws)

AMEND: 863-022-0005

RULE TITLE: Definitions

RULE SUMMARY: Added Fair Housing course and timeshare sales agent to definitions.

RULE TEXT:

- (1) "Agency" means the Oregon Real Estate Agency.
- (2) "Board" means the Oregon Real Estate Board.
- (3) "Certified continuing education provider" means a person certified by the Agency under OAR 863-020-0030 to offer real estate continuing education courses that are eligible for credit under 863-020-0035 and 863-020-0040. The continuing education courses are taught by an instructor.
- (4) "Clock-hour" is a 60-minute hour, excluding meal or rest breaks.
- (5) "Commissioner" means the Real Estate Commissioner.
- (6) "Individual" means a human being, not a legal entity.
- (7) "In-state community colleges, colleges, and universities" means:
  - (a) Campuses and centers that are part of an accredited public university listed in ORS 352.002;
  - (b) Oregon community colleges established and operated under ORS Chapter 341; and
  - (c) Accredited private and independent institutions of higher education, as that term is defined in ORS 352.720, that are located in Oregon.
- (8) "Law and Rule Required Course" means that course described in OAR 863-022-0055.
- (9) "Person" means any individual, partnership, corporation, association, governmental subdivision, or public or private organization of any character other than a government agency.
- (10) "Private career schools" means private career schools licensed by the Oregon Department of Education and approved by the Agency to provide the 150-hour real estate license applicant course of study under OAR 863-022-0010, the 60-hour property manager license applicant courses under 863-022-0015, or both.
- (11) "Principal broker" means "principal real estate broker," as defined in ORS 696.010.
- (12) "Property manager" means "licensed real estate property manager," as defined in ORS 696.010.
- (13) "Real estate broker" is defined in ORS 696.010.
- (14) "Real estate licensee" is defined in ORS 696.010.



(15) “State and Federal Fair Housing Course” means that course described in OAR 863-022-0057.

(16) “Timeshare sales agent” is defined in Chapter 39, (2025 Laws).

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, 696.182, 696.184, Chapter 389, (2025 Laws), Chapter 39, (2025 Laws)

AMEND: 863-022-0020

RULE TITLE: Advanced Practices Course Requirement and Proficiency Assessment for the First Active Renewal of Broker License

RULE SUMMARY: Revised hour requirements, added Fair Housing course and proficiency assessment to the rule.

RULE TEXT:

- (1) The course required by OAR 863-020-0010 before the first active renewal of a real estate broker license, or before the first license reactivation following an inactive first renewal, is an Agency-approved broker advanced practices course.
- (2) In order to renew a license, a real estate broker who completes the course described in section (3) of this rule must also complete the Law and Rule Required Course and the State and Federal Fair Housing course required under OAR 863-020-0010 .
- (3) An Agency-approved broker advanced practices course must consist of 26 clock-hours covering the following topics, with a minimum of 1 clock-hour for each topic:
  - (a) Business ethics;
  - (b) Review of recent administrative actions issued by the Agency;
  - (c) Property management;
  - (d) Business economics;
  - (e) Advanced agency relationships, including dual representation;
  - (f) Misrepresentation and negligence;.
  - (g) Negotiations;
  - (h) Effective communications with clients and other licensees; and
  - (i) Real Estate contracts
- (4) To receive credit for the broker advanced practices course, a real estate broker must complete the course and receive a passing score of at least 75% on an assessment of license proficiency containing 60 questions.
- (5) Starting July 1, 2026, the assessment of license proficiency in section (4) must present one or more case studies or hypothetical scenarios involving a real estate transaction. The assessment must require the real estate broker to demonstrate the ability to:
  - (a) Identify and address issues that present risks to the client;

(b) Select appropriate contract provisions and terms that reflect the client's objectives; and

(c) Identify effective communication protocols with the client and other licensees involved in the transaction.

(6) The licensee must obtain a certificate of course completion and maintain it as required by OAR 863-020-0015.

(7) The broker advanced practices course, the Law and Rule Required Course, and the State and Federal Fair Housing Course are eligible for continuing education credit under OAR 863-020-0010.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, ORS 696.182, ORS 696.184, Chapter 389, (2025 Laws)

AMEND: 863-022-0021

RULE TITLE: Advanced Practices Course Requirement and Proficiency Assessment for the First Active Renewal of Principal Broker License

RULE SUMMARY: Add Fair Housing course and proficiency assessment to the rule, as well as adjusting required hours in various areas of instruction.

RULE TEXT:

- (1) The principal broker advanced practices course required by OAR 863-020-0010 before the first active renewal of a principal broker license, or before the first license reactivation following an inactive first renewal, is an Agency approved principal broker advanced practices course.
- (2) A principal broker who is required to take the advanced practices course in order to renew a license must also complete the Law and Rule Required Course and the State and Federal Fair Housing course required under OAR 863-020-0010.
- (3) An Agency-approved principal broker advanced practices course must consist of 26 clock-hours covering the following topics, with a minimum of 1 clock-hour for each topic:
  - (a) Brokerage Practices;
  - (b) Supervision and Managing Real Estate Licensees;
  - (c) Clients' Trust Accounts;
  - (d) Records and Maintenance;
  - (e) Property Management;
  - (f) Advertising;
  - (g) Affirmative Duties of Agent & Agency Relationships;
  - (h) Professional Real Estate Activity;
- (4) To receive credit for an advanced practices course, a principal broker must complete the course and receive a passing score of at least 75% on an assessment of license proficiency containing 60 questions.
- (5) Starting July 1, 2026, the assessment of license proficiency described in Section (4) must present one or more case studies or hypothetical scenarios involving a real estate transaction. The case studies or hypothetical scenarios must include an authorized principal broker as defined in OAR 863-015-0003, one or more brokers under the supervision of that authorized principal broker, examples of harm to a client or consumer of real estate services, and examples of conflict between a buyer and seller or their agents. The assessment must require the real estate principal broker demonstrate the ability to identify:

- (a) Issues that present harm or risks of harm to the client or consumer;
- (b) Office policies that could have prevented the harm or mitigated the risk of harm to the clients or consumers;
- (c) Supervision and training protocols that could have prevented the harm or mitigated the risk of harm to the clients or consumers;
- (d) Effective communication and conflict resolution strategies; and
- (e) Conduct that meets or exceeds the standard of care and conduct that falls below the standard of care for real estate licensees in Oregon.
- (6) The licensee must obtain a certificate of course completion and maintain it as required by OAR 863-020-0015.
- (7) The principal broker advanced practices course, the Law and Rule Required Course, and the State and Federal Fair Housing Course are eligible for continuing education credit under OAR 863-020-0010.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, Chapter 389, (2025 Laws)

AMEND: 863-022-0022

RULE TITLE: Property Manager Advanced Practices Course Requirement for the First Active Renewal of License

RULE SUMMARY: Add Fair Housing and proficiency assessment to rule, as well as adjusting clock hours for various areas of instruction.

RULE TEXT:

- (1) The property manager advanced practices course required by OAR 863-020-0010 before the first active renewal of a property manager license, or before the first license reactivation following an inactive first renewal, is an Agency-approved property manager advanced practices course.
- (2) A property manager who is required to take the advanced practices course in order to renew a license must also complete the Law and Rule Required Course and the State and Federal Fair Housing course required under OAR 863-020-0010.
- (3) An Agency-approved property manager advanced practices course must consist of 26 clock-hours covering the following topics, with a minimum of 1 clock-hour for each topic:
  - (a) Agency law and affirmative duties in ORS 696.890;
  - (b) Property management agreements;
  - (c) Managing the operation of a property management company;
  - (d) Clients' trust accounts and security deposits accounts;
  - (e) Property management accounting;
  - (f) Oregon Residential Landlord and Tenant Act under ORS Chapter 90;
  - (g) Property management records;
  - (h) Real Estate License Law under ORS Chapter 696;
  - (i) Commercial property management;
  - (j) Emergency plans, energy management plans, maintenance and repair.
- (4) To receive credit for an advanced practices course, a property manager must complete the course and receive a passing score of at least 75% on an assessment of license proficiency containing 60 questions.
- (5) Starting July 1, 2026, the assessment of license proficiency described in Section (4) must present one or more case studies or hypothetical scenarios involving the management of rental real estate. The assessment must measure the real estate property manager's ability to:

- (a) Identify and apply to the requirements for maintaining client trust accounts;
  - (b) Recognize the accounting distinctions between single and multiple owner accounts;
  - (c) Recognize the accounting distinctions between single and pooled security deposit accounts;
  - (d) Evaluate monthly reconciliations and identify appropriate steps to resolve discrepancies; and
  - (e) Recognize the supervisory responsibilities of a property manager, including when a written delegation of authority is needed and what information is required in a written delegation of authority.
- (6) The licensee must obtain a certificate of course completion and maintain it as required by OAR 863-020-0015.
- (7) The property manager advanced practices course, the Law and Rule Required Course, and the State and Federal Fair Housing Course are eligible for continuing education credit under OAR 863-020-0010.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, Chapter 389, (2025 Laws)

AMEND: 863-022-0030

RULE TITLE: Agency Approval of Education Courses Provided by Private Career Schools

RULE SUMMARY: Introducing the timeshare sales agent course and the fair housing course.

RULE TEXT:

- (1) Private career schools that wish to provide the real estate broker license applicant, property manager license applicant, or timeshare sales agent courses under OAR 863-022-0010, 863-022-0015 and 863-022-XXXX must apply to the Agency for approval of these courses. No application fees are required.
- (2) A private career school applying for Agency approval of a 150-hour course of study for real estate broker license applicants, a 60-hour course for property manager license applicants, or a 14-hour course for timeshare sales agent license applicants must submit an online application and the following documents:
- (a) Proof of current licensing as a private career school with the Higher Education Coordinating Commission and an expiration date.
  - (b) If the private career school wishes to provide the 150-hour course of study for real estate broker license applicants or the 60-hour course for property manager license applicants through distance education, documentation that the course has been certified by the Association of Real Estate License Law Officials.
  - (c) If the private career school is applying for approval to use course materials owned and developed by a third-party vendor, written authorization from the vendor, on an Agency-approved form, that the course provider is authorized to use the course materials and the dates the provider is authorized to use the course.
  - (d) Course materials, including:
    - (A) Course curriculum or syllabus for the course of study.
    - (B) Student materials, including all course materials, textbooks and handouts.
    - (C) A completed Agency-approved topic checklist that lists the detailed course topics and indicates the location of the topic in the course materials. This requirement applies to all course materials, including materials developed by the course provider or materials developed by a third-party vendor.
    - (D) Instructor materials, if any.
    - (E) Final examinations.
    - (F) Examination answer keys, as a document that is separate from the examination.
    - (G) Agency-approved instructor forms for each instructor who will teach the course.



(e) Proof of current business registration with the Oregon Secretary of State. The applicant's name that is licensed with the Higher Education Coordinating Commission must be the exact name that is registered with the Secretary of State.

(4) After review, the Agency will approve or deny the completed application and notify the applicant. If the Agency denies the application, the applicant may seek a contested case hearing pursuant to ORS Chapter 183.

(5) All course approvals expire on June 30 each year.

(6) Approved course providers must comply with the provisions of OAR 863-022-0052 for submitting all changes to application information, changes to course materials, and changes to instructors. Within 10 days of license renewal by the Higher Education Coordinating Commission, a private career school must submit documentation to the Agency that the school's license has been renewed.

(7) If a private career school wants to provide courses other than the real estate broker, property manager or timeshare sales agent license applicant courses, the school must comply with the following:

(a) To provide the broker advanced practices course, the principal broker advanced practices course, or the property manager advanced practices course, the school must be a certified continuing education provider and apply for course approval under OAR 863-022-0045.

(b) To provide the brokerage administration and sales supervision course, the school must be a certified continuing education provider and apply for course approval under 863-022-0050.

(c) To provide the Law and Rule Required Course under OAR 863-022-0055 required for licensee renewals, the school must be a certified continuing education provider.

(d) To provide the State and Federal Fair Housing Course under 863-022-0057 required for license renewal, the school must be a certified continuing education provider.

(e) To provide any other continuing education course under OAR 863-020-0035 or 863-020-0040, the school must be a certified continuing education provider and comply with the requirements of OAR 863, division 20.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, ORS 696.182, ORS 696.184, Chapter 389, (2025 Laws), Chapter 39, (2025 Laws)

AMEND: 863-022-0035

RULE TITLE: Approval of Courses Provided by Community Colleges, Colleges, and Universities

RULE SUMMARY: Introduced fair housing course and timeshare sales agent course to rule.

RULE TEXT:

- (1) In-state community colleges, colleges, and universities that wish to provide the real estate broker license applicant, property manager license applicant, or timeshare sales agent applicant under OAR 863-022-0010 and 863-022-0015 must apply to the Agency for approval of these courses. No application fees are required.
- (2) In-state community college, college or university applying for Agency approval of a 150-hour course of study for real estate broker license applicants, a 60-hour course for property manager license applicants, or a 14-hour course for timeshare sales agent applicants must submit an online application and the following documents:
  - (a) If the in-state community college, college or university is applying for approval to use course materials owned and developed by a third-party vendor, written authorization from the vendor, on an Agency-approved form, that the course provider is authorized to use the course materials and the dates the provider is authorized to use the course.
  - (b) Course materials, including:
    - (A) Course curriculum or syllabus for the course of study.
    - (B) Student materials, including all course materials, textbooks and handouts.
    - (C) A completed Agency-approved topic checklist that lists the detailed course topics and indicates the location of the topic in the course materials. This requirement applies to all course materials, including materials developed by the course provider or materials developed by a third-party vendor.
    - (D) Instructor materials, if any.
    - (E) Final examinations.
    - (F) Examination answer keys, as a document that is separate from the examination.
- (3) After review, the Agency will approve or deny the completed application and notify the applicant. If the Agency denies the application, the applicant may seek a contested case hearing pursuant to ORS Chapter 183.
- (4) All course approvals expire on June 30 each year.
- (5) Approved course providers must comply with the provisions of OAR 863-022-0052 for submitting all changes to application information, changes to course materials, and changes to instructors.
- (6) If an in-state community college, college or university wants to provide courses other than the real

estate broker or property manager license applicant courses, the school must comply with the following:

- (a) To provide the broker advanced practices course, the principal broker advanced practices course, or the property manager advanced practices course, the school must be a certified continuing education provider and apply for course approval under OAR 863-022-0045.
- (b) To provide the brokerage administration and sales supervision course, the school must be a certified continuing education provider and apply for course approval under OAR 863-022-0050.
- (c) To provide the Board-approved three-hour law and rule update course under OAR 863-022-0055 required for licensee renewals, the school must be a certified continuing education provider.
- (d) To provide the State and Federal Fair Housing Course under 863-022-0057 required for license renewal, the school must be a certified continuing education provider.
- (e) To provide any other continuing education course under OAR 863-020-0035 or 863-020-0040, the school must be a certified continuing education provider and comply with the requirements of OAR 863, division 20.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, ORS 696.182, ORS 696.184, Chapter 389, (2025 Laws)

AMEND: 863-022-0045

RULE TITLE: Agency Approval of Advanced Practices Course

RULE SUMMARY: Adjusted advanced practices courses to 26 hours and added practical skills assessments to rule.

RULE TEXT:

(1) A person seeking Agency approval of the 26-hour broker advanced practices course described in OAR 863-022-0020, the 26-hour principal broker advanced practices course described in OAR 863022-0021, or the 26-hour property manager advanced practices course under 863-022-0022 must be a certified continuing education provider.

(2) The person must submit an Agency-approved form and the following documents:

(a) Sample certificates of course completion.

(b) For all providers, except those providers listed in subsection (c), written authorization from the vendor, on an Agency-approved form, to use course materials owned and developed by a third party vendor stating:

(A) That the course provider is authorized to use the course materials, and

(B) The dates the provider is authorized to use the course.

(c) For in-state community colleges, colleges and universities applying for approval to use course materials owned and developed by a third party vendor, attestation that the provider must submit all revisions or updates to the Real Estate Agency for approval before using such materials.

(d) Course materials, including:

(A) Course curriculum or syllabus for the course of study.

(B) Student materials, including all course materials, textbooks and handouts.

(C) A completed Agency-approved topic checklist listing the detailed course topics and indicating the location of the topic in the course materials. This requirement applies to all course materials, including materials developed by the course provider or materials developed by a third-party vendor.

(D) Instructor materials, if any.

(E) Practical skills assessments as outlined in OAR 863-022-0020 through 863-022-0022.

(F) Examination answer keys, as a document that is separate from the examination.

(G) For all providers except in-state community colleges, colleges and universities, a continuing education instructor form for each instructor who will teach the course.

(3) The Agency will approve or deny the completed application and notify the applicant. Upon approval, the Agency will send a letter of approval. If the Agency denies the application, the applicant may seek a contested case hearing pursuant to ORS Chapter 183.

(4) All course approvals expire on December 31st each year.

(5) Approved course providers must comply with the provisions of OAR 863-022-0052 for submitting all changes to application information, changes to course materials, and changes to instructors.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, ORS 696.182, ORS 696.184

AMEND: 863-022-0055

RULE TITLE: Board Approval of Law and Rule Required Course

RULE SUMMARY: Revised rule to remove reference to 3 hours.

RULE TEXT:

(1) The Board will develop the course content required for the course on recent changes in real estate rule and law required by ORS 696.174, and the Agency will make the course content available to the public.

(2) The Board will update the course at least biannually.

(3) To be eligible for continuing education credit required under OAR 863-020-0010, the Board-approved course must be provided by a certified continuing education provider.

(4) This course is referred to in these rules as the "Law and Rule Required Course".

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.174, 696.182, 696.184

ADOPT: 863-022-0057

RULE TITLE: Board Approval of State and Federal Fair Housing Course

RULE SUMMARY: Hb 3137, 2025 Regular Session, created a new Fair Housing Course, which this rule helps implement.

RULE TEXT:

- (1) The Board will develop the course content required for the course on state and federal fair housing laws required by ORS 696.174 (HB 3137 section 9a), and the Agency will make the course content available to the public.
- (2) The Board will update the course at least biannually.
- (3) To be eligible for continuing education credit required under OAR 863-020-0010, the Board-approved course must be provided by a certified continuing education provider.
- (4) This course is referred to in these rules as the "State and Federal Fair Housing Course".

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: Chapter 389, (2025 Laws)

AMEND: 863-022-0060

RULE TITLE: Responsibilities of Providers of Real Estate Broker, Principal Broker, Property Manager, and Timeshare Sales Agent License Application Courses

RULE SUMMARY: Added the timeshare sales agent course to the rule.

RULE TEXT:

(1) For purposes of this rule, a “course provider” is:

(a) A private career school, in-state community college, college, or university that provides the 150-hour real estate broker license applicant course of study under OAR 863-022-0010, the 60-hour property manager license applicant course under OAR 863-022-0015; the 40-hour brokerage administration and sales supervision course under OAR 863-022-0025; or the 14-hour timeshare sales agent course required by OAR 863-022-XXXX and

(b) A continuing education provider who provides the 40-hour brokerage administration and sales supervision course under OAR 863-022-0025.

(2) For purposes of this rule, “examination provider” means the vendor, under a contract with the Agency, which provides licensing examination services and collects the fee for such services directly from a license applicant.

(3) A course provider must certify to the examination provider that an applicant for a real estate license has successfully completed the course or courses according to the requirements and instructions of the examination provider.

(4) Before certifying that a license applicant completed a course as provided in section (3) of this rule, a course provider must obtain proof from a license applicant that the applicant has submitted a license application to the Agency.

(5) A course provider must inform each student taking a course that:

(a) The course provider will certify to the examination provider that an applicant for a real estate license has successfully completed the course or courses; and

(b) Before a course provider may certify that the applicant completed the course, a student must provide proof to the provider that the student has applied to the Agency for a real estate broker, principal broker, property manager, or timeshare sales agent license.

(6) In addition to the requirements under this rule, a course provider must provide a certificate of completion to each student.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, 696.022, Chapter 39, (2025 Laws)



AMEND: 863-024-0000

RULE TITLE: Application and Purpose

RULE SUMMARY: Correcting para (2), replacing "manager's" with "manager".

RULE TEXT:

(1) This division sets forth the requirements and process for licensing real estate property managers, as that term is defined in ORS 696.010.

(2) The purpose of this division is to specify the requirements for obtaining a real estate property manager license.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.022

AMEND: 863-024-0003

RULE TITLE: Definitions

RULE SUMMARY: Defining authorized principal broker, managing principal broker, sending and receiving property managers and timeshare sales agent.

RULE TEXT:

As used in this division, unless the context requires otherwise, the following definitions apply to this division:

- (1) "Agency" means the Real Estate Agency with powers pursuant to ORS 696.385.
- (2) "Agency-approved form" means an electronic or paper form approved by the Real Estate Agency.
- (3) "Authorized principal broker" means a managing principal broker or a principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.
- (4) "Birth month" means the month of a licensee's or applicant's date of birth.
- (5) "Branch office" is defined in ORS 696.010.
- (6) "Commissioner" means the Real Estate Commissioner described in ORS 696.375.
- (7) "Legal name" means the first name, middle name and last or surname, without the use of initials or nicknames and is the name given at birth or subsequently acquired through marriage, court order or adoption.
- (8) "Licensed Name" means the name of a real estate licensee as it appears on the current, valid real estate license issued to the licensee pursuant to ORS 696.020.
- (9) "Licensed property manager" means "licensed real estate property manager" as defined in ORS 696.010.
- (10) "Management of rental real estate" is defined in ORS 696.010.
- (11) "Managing principal broker" is defined in HB 3137 section 1.
- (12) "Principal broker" means "principal real estate broker," as defined in ORS 696.010.
- (13) "Real estate activity," "professional real estate activity," and "real estate business" mean "professional real estate activity" as defined in ORS 696.010, which includes managing rental real estate.
- (14) "Real estate broker" is defined in ORS 696.010.
- (15) "Real estate property manager" is defined in ORS 696.010.

(16) "Real estate licensee" and "licensee" mean a "real estate licensee" as defined in ORS 696.010.

(17) "Sending property manager" means:

(a) A licensed property manager with whom an active real estate license is associated before a license transfer; or

(b) The authorized principal broker who has supervisory control and responsibility of the licensee before a license transfer.

(18) "Registered business name" is defined in ORS 696.010.

(19) "Receiving property manager" means:

(a) A licensed property manager with whom an active real estate license will be associated after a license transfer; or

(b) The authorized principal broker who will have supervisory control and responsibility of the licensee after a license transfer.

(20) "Signed" or "Signature" means original or electronic signature as provided by OAR 863-024-0076.

(21) "Timeshare sales agent" as defined in HB 2373 section 2.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.010, ORS 696.020, Chapter 389, (2025 Laws), Chapter 39, (2025 Laws)

AMEND: 863-024-0030

RULE TITLE: License Issue, Term, Form

RULE SUMMARY: Adding timeshare sales agent to rule.

RULE TEXT:

(1) The Agency will issue a property manager license to an applicant after determining that the applicant meets the license requirements contained in ORS 696.022 and 696.790, has paid all required fees and meets the requirements under OAR 863-024-0045.

(2) A licensee may engage in the management of rental real estate from the date the license is issued until the license expires, becomes inactive, or is revoked, surrendered, or suspended.

(3) A licensee may hold only one of the following Oregon real estate licenses at any time:

(a) Real estate broker,

(b) Principal real estate broker,

(c) Property manager, or

(d) Timeshare sales agent.

(4) The license expiration date is the last day of the month of a licensee's birth month.

(5) The Agency issues an initial license for a term determined by the licensee's birth month and license issuance date. The initial license term is at minimum 13 months and at most 24 months and 30 days.

(a) If the license is not issued in licensee's birth month, the initial license term will start on the license issue date and end 12 months after first occurrence of the last day of the licensee's birth month.

(b) If the license is issued in the licensee's birth month, the initial license term start on the license issue date and end 24 months after the first occurrence of the last day of the licensee's birth month.

(6) The Agency will renew an active or inactive license for a term of 24 months from the last license expiration date

(7) The Agency will renew an expired license under OAR 863-024-0050 for a term that will start on the license renewal date and end 24 months from the last license expiration date.

(8) The license will include the following information:

(a) The licensee's legal name,

(b) The license number and expiration date,

- (c) The registered business name under which the licensee conducts professional real estate activity,
- (d) The licensee's business address,
- (e) The seal of the Real Estate Agency, and
- (f) Any other information the Agency deems appropriate

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, ORS 696.270, Chapter 39,  
(2025 Laws)

AMEND: 863-024-0045

RULE TITLE: Property Manager Licensing Requirements

RULE SUMMARY: Added the managing principal broker concept to rule.

RULE TEXT:

(1) To be eligible for a property manager license, an individual must complete the following steps in the order listed:

(a) Submit a license application and pay the fee to the Agency required by OAR 863-024-0010.

(b) Successfully complete the required courses of study for a property manager license required by OAR 863-022-0015.

(c) Ensure that the school providing the required course of study certifies to the examination provider that the applicant completed the course as required by OAR 863-024-0020.

(d) Pass the property manager license examination and pay the fee to the examination provider as required by OAR 863-024-0020.

(e) Provide fingerprints for a criminal background check and pay the fee to the fingerprint services provider as required by OAR 863-024-0015.

(2) After the applicant meets the requirements under (1) of this rule, the Agency will complete a background check on the applicant, which includes a criminal background check under OAR 863-024-0015.

(3) After the requirements in (1) and (2) of this rule are met:

(a) Using an online application through the Agency's website, the applicant must specify that the applicant will be registering a business name as provided in (4) of this rule; or

(b) Using an online application available through the Agency's website, a principal broker or licensed property manager must transfer the applicant to the principal broker or licensed property manager's active registered business name under OAR 863-024-0063.

(4) If an applicant wishes to conduct professional real estate activity under a registered business name registered by the applicant, the applicant must first meet all of the remaining qualifications to obtain a property manager license and then register a business name under 863-024-0095.

(5) A licensed property manager may only engage in the management of rental real estate. The licensee may not offer to, negotiate, attempt to, or engage in the sale, purchase, lease-option, appraisal, or exchange of real estate for another individual for compensation. The licensee may not charge, pay, receive, or accept a referral fee, finder's fee, or compensation from or share in a commission paid to a real estate broker or principal broker for any activity involving the sale, purchase, lease-option, appraisal, or exchange of real estate. However, the licensee may charge, pay, receive, or accept a referral fee or finder's fee from or to a real estate broker, principal broker or another licensed property

manager for finding or referring an owner, renter, or lessee in the management of rental real estate.

(6) A licensed property manager is responsible for all management of rental real estate conducted under the property manager's license and for the actions of the property manager's nonlicensed property management employees. A licensed property manager may not authorize an unlicensed individual to supervise that property manager's licensed activity in the manager's absence. Except as provided for in OAR 863-024-0085, a licensed property manager may not authorize another real estate licensee to supervise that property manager's licensed activity in the property manager's absence.

(7) A licensed property manager may be associated with a managing principal broker to engage in the management of rental real estate on behalf of the managing principal broker and under the supervision of an authorized principal broker. However, a property manager may not act in the principal broker's absence under OAR 863-024-0085.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, Chapter 389, (2025 Laws)

AMEND: 863-024-0050

RULE TITLE: License Renewal

RULE SUMMARY: Cleaned up language for clarity.

RULE TEXT:

- (1) A licensee may only submit a license renewal application and pay the fee using an online application process, which is available through the Agency's website.
- (2) For purposes of this rule, "received by the Agency" means the date the licensee completed the online renewal process and paid the fee required under ORS 696.270
- (3) A property manager license expires if a licensee fails to renew the license on or before the license expiration date. A licensee may not engage in the management of rental real estate after a license expires. A licensed property manager may renew an expired license as provided in this rule.
- (4) The Agency may renew an active property manager license to active status for the term prescribed in OAR 863-024-0030 when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270; and
  - (b) An online active renewal application requesting active license status that includes course information by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under section OAR 863-020-0010.
- (5) The Agency may renew an active property manager license to inactive status for the term prescribed in OAR 863-024-0030, when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270; and
  - (b) An online inactive renewal application.
- (6) The Agency may renew an inactive property manager license to inactive status for the term prescribed in OAR 863-024-0030 when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270; and
  - (b) An online inactive renewal application.
- (7) The Agency may renew an inactive property manager license to active status for the term prescribed in OAR 863-024-0030, when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270;
  - (b) An online active renewal application that includes course information by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under OAR 863-020-0010; and



(c) The online license transfer application completed by the receiving manager per OAR 863-024-0063. If the renewing licensed property manager wishes to manage rental real estate under a new registered business name, the licensed property manager must also register a business under OAR 863-024-0095.

(8) The Agency may renew an expired property manager license to active status when the Agency receives, within one year of the date the license expired, the following:

(a) The renewal fee and a late fee authorized by ORS 696.270;

(b) An online active renewal application that includes course information by the licensee demonstrating that the licensee met the license renewal continuing education requirements under section OAR 863-020-0010; and

(c) The online license transfer application completed by the receiving property manager per OAR 863-024-0063. If the renewing property manager wishes to manage rental real estate under a new registered business name, the property manager must also register a business under OAR 863-024-0095.

(9) The Agency may renew an expired property manager license to inactive status when the Agency receives, within one year of the date the license expired, the following:

(a) The renewal fee and a late fee authorized by ORS 696.270; and

(b) An online inactive renewal application.

(10) When the Agency renews an expired license, the renewed license is effective the date the renewal requirements are met. The renewal is not retroactive to the date the license expired, and the expired license retains the status of expired during the expiration period.

(11) A license renewed under this rule expires two years from the date of the original expiration date.

(12) A real estate license that has expired for more than one year is lapsed, as defined in ORS 696.010.

(13) A license may not be renewed if it is lapsed, surrendered, suspended, or revoked. Except as provided in OAR 863-024-0075, the former licensee must reapply and meet all the licensing qualifications required of new license applicants.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, ORS 696.270

AMEND: 863-024-0060

RULE TITLE: Limited Licenses and Renewal

RULE SUMMARY: Inserted authorized principal broker language where needed.

RULE TEXT:

- (1) If the Commissioner issues an individual a limited license under ORS 696.130, the licensee may submit a written request for an unrestricted license after the period of limitation. The request must include the endorsement of the authorized principal broker or licensed property manager, if applicable.
- (2) Issuance of an unrestricted license is dependent on Agency review and approval including the results of an inquiry on the licensee, including but not limited to a check through the Law Enforcement Data System.
- (3) A limited licensee may only submit a license renewal application and pay the fee using an online application process, which is available through the Agency's website.
- (4) For purposes of this rule, "received by the Agency" means the date a licensee completed the online renewal process and paid the fee required under ORS 696.270.
- (5) A limited property manager license expires if a licensee fails to renew the license on or before the license expiration date. A licensed property manager may not engage in the management of rental real estate after a license expires. A licensed property manager may renew an expired license as provided in this rule.
- (6) The Agency may renew a limited property manager license to active status for the term prescribed in OAR 863-024-0030 when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270; and
  - (b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under section OAR 863-020-0010.
- (7) The Agency may renew a limited property manager license to inactive status for the term prescribed in OAR 863-024-0030, when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270; and
  - (b) An online inactive renewal application.
- (8) The Agency may renew an inactive limited property manager license to inactive status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:
  - (a) The renewal fee authorized by ORS 696.270; and
  - (b) An online inactive renewal application.

(9) The Agency may renew an inactive limited property manager license to active status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:

- (a) The renewal fee authorized by ORS 696.270;
- (b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under OAR 863-020-0010;
- (c) An online transfer application, available through the Agency's website, completed by the receiving property manager under OAR 863-014-0063, if applicable; and
- (d) An endorsement in writing from the receiving property manager acknowledging the limited license status and accepting the terms outlined in the stipulated final order.

(10) The Agency may renew an expired limited property manager license to active limited status when the Agency receives, within one year of the date the license expired, the following:

- (a) The renewal fee and a late fee authorized by ORS 696.270;
- (b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee met the license renewal continuing education requirements under OAR 863-020-0010;
- (c) An online license transfer application, available through the Agency's website, completed by the receiving property manager under OAR 863-014-0063; and
- (d) An endorsement in writing from the receiving property manager acknowledging the limited license status and acceptance of the terms outlined in the stipulated final order.

(11) The Agency may renew an expired limited property manager license to inactive limited license status when the Agency receives, within one year of the date the license expired, the following:

- (a) The renewal fee and a late fee authorized by ORS 696.270; and
- (b) An online inactive renewal application.

(12) When the Agency renews an expired limited license, the renewed license is effective the date the renewal requirements are met. The renewal is not retroactive to the date the license expired and an expired license retains the status of expired during the expiration period.

(13) A limited license renewed under this rule expires two years from the date of the original expiration date.

(14) A limited real estate license that has expired for more than one year is lapsed, as defined in ORS

696.010.

(15) A limited license may not be renewed if it is lapsed, surrendered, suspended, or revoked. Except as provided in OAR 863-014-0075, the former licensee must reapply and meet all the licensing qualifications required of new license applicants.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, ORS 696.125

AMEND: 863-024-0061

RULE TITLE: Affiliated and Subsidiary Organizations

RULE SUMMARY: Inserted managing principal broker in the rule.

RULE TEXT:

- (1) Affiliated organizations are two or more organizations whose controlling ownership interests are owned by the same licensee, licensees, entity, or entities.
- (2) A subsidiary organization is one in which the majority of the voting stock or controlling ownership interest is owned by another organization.
- (3) Affiliated or subsidiary business organizations engaging in the management of rental real estate may use the same licensed property manager or managing principal broker, provided that the individual registering the business name submits proof satisfactory to the Commissioner that the licensed property manager or managing principal real estate broker actually manages and controls each affiliated and subsidiary organization.
- (4) As used in this rule, controlling ownership interest means owning 51 percent or more.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, Chapter 389, (2025 Laws)

AMEND: 863-024-0063

RULE TITLE: Property Manager License Transfers, Principal Brokers' Responsibilities, Authority to Use Registered Business Name

RULE SUMMARY: Inserted managing principal broker and authorized principal broker language in the rule.

RULE TEXT:

(1) As used in this rule "License transfer application" means an online application that does one of the following:

(a) Transfers a property manager license to a receiving property manager in order to become associated with the managing principal broker or licensed property manager, or

(b) Authorizes a licensed property manager to use a registered business name to conduct the management of rental real estate.

(2) An online license transfer application, available through the Agency's website, includes:

(a) The name and license number of the property manager licensee who is being transferred;

(b) The name of the receiving property manager, license number, date, signature, and attestation or the authorized use of the registered business name.

(3) An authorized principal broker or licensed property manager with whom a property manager licensee is associated remains responsible for the associated licensee's management of rental real estate until the Agency receives one of the following:

(a) An online inactivation application available through the Agency's website; or

(b) An online license transfer application and fee.

(4) If an authorized principal broker or licensed property manager with whom a licensed property manager is associated doesn't complete the online inactivation process, the authorized principal broker or licensed property manager remains responsible for the associated licensee's subsequent management of rental real estate until the Agency receives one of the following:

(a) An online inactivation application available through the Agency's website; or

(b) An online license transfer application and fee; or

(c) An online registered business name application and fee initiated by the receiving property manager.

(5) The Agency will document the registered business name under which a property manager licensee is authorized to conduct management of rental real estate when the Agency receives an online license transfer application or new registered business name application and the fee authorized by ORS 696.270.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022, Chapter 389, (2025 Laws)

AMEND: 863-024-0065

RULE TITLE: Inactive License, License Reactivation

RULE SUMMARY: Removed unnecessary reference to principal broker at several locations and added reference to authorized principal broker where necessary.

RULE TEXT:

- (1) A property manager licensee whose license is on inactive status may not engage in management of rental real estate.
- (2) The Commissioner may reprimand, suspend, revoke, or impose a civil penalty against an inactive licensee under ORS 696.301.
- (3) The Agency will change an active property manager license to inactive license status when the Agency receives the following:
  - (a) An online inactivation application available through the Agency's website completed by the licensee to change the license status to inactive; or
  - (b) An online inactivation application available through the Agency's website completed by the authorized principal broker or licensed property manager.
- (4) An inactive property manager licensee may renew such license under OAR 863-024-0050.
- (5) For a period of 30 days after a property manager license becomes inactive, the inactive property manager licensee may change such license status from inactive to active under OAR 863-024-0063.
- (6) If a property manager license has not been on active status for two or more consecutive years, the following steps must be completed in the order listed to reactivate the license:
  - (a) The property manager licensee must pay a fee to the examination provider and take and pass the property manager reactivation examination required by OAR 863-024-0020.
  - (b) The property manager licensee must submit the online reactivation application and pay the fee to the Agency authorized by ORS 696.270; and
  - (c) A receiving property manager must submit an online license transfer application available through the Agency's website according to OAR 863-024-0063. If the reactivating property manager licensee wishes to manage rental real estate under a new registered business name, the property manager licensee must register a business name under OAR 863-024-0095.
- (7) After the 30-day period in section (5) of this rule, and subject to the examination requirements in section (6) of this rule, a licensed property manager may change the license status from inactive to active only by submitting to the Agency:
  - (a) An online license reactivation application and paying the reactivation fee authorized by ORS 696.270; and



(b) Using an online application available through the Agency's website, a receiving property manager must submit an online license transfer application according to OAR 863-024-0063. If the reactivating licensed property manager wishes to manage rental real estate under a new registered business name, the property manager licensee must register a business name under OAR 863-024-0095.

(8) The change of license status, transfer of license, or the reactivation of a license is effective when all requirements are met, applications are completed and fees are paid.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.020, ORS 696.022

AMEND: 863-024-0095

RULE TITLE: Business Name Registration

RULE SUMMARY: Inserted managing principal broker into the rule.

RULE TEXT:

- (1) Before managing rental real estate in any name, a licensed property manager or principal broker must first register the business name with the Agency using the online process available through the Agency's website. For the purposes of this rule, "registered business name" means any name under which rental real estate is managed, including the licensee's legal name, an assumed name, or the name of a business entity, such as a corporation, partnership, limited liability company, or other business entity recognized by law. A licensee must maintain the registered business name with the Oregon Secretary of State's Corporation Division for any name other than the licensee's legal name.
- (2) To register a business name, the licensed property manager or principal broker must submit to the Agency in an online application, the following:
  - (a) The business name in which the licensed property manager wishes to conduct business, which must be the exact name on file with the Oregon Secretary of State or licensee's legal name;
  - (b) Written authority by which the licensed property manager is authorized to use the business name;
  - (c) For any name used other than the licensee's legal name, a valid, active Oregon Secretary of State Business Registry number; and
  - (d) The fee authorized by ORS 696.270.
- (3) Upon registering a business name, a principal broker becomes a managing principal broker.
- (4) Any change in the business name registered with the Agency must be submitted through an online application on the Agency website with the applicable fee authorized by ORS 696.270.
- (5) If a licensed property manager or managing principal broker wishes to transfer the right to use a business name that is registered with the Agency, the licensed property manager or principal broker acquiring the right to use the name must file a change of business name registration with the Agency together with the fee authorized by ORS 696.270. A licensee must notify the Agency in writing if the licensee terminates its use of a business name. Upon acquiring a registered business name, a principal broker becomes a managing principal broker.
- (6) A business name registration becomes void when:
  - (a) The Agency receives an online application to void the registration;
  - (b) The registration expires; or
  - (c) When no licensees are affiliated with the registered business name.

(7) A voided business name registration may be reactivated by reapplying for the registration and paying the fee authorized in ORS 696.270, unless a new user has registered the business name.

(8) Except as provided in OAR 863-024-0085, no licensed property manager may engage in the management of rental real estate under more than one registered business name. An exception to this requirement is that a licensed property manager may engage in the management of rental real estate under more than one registered business name if the business entity is an affiliated or subsidiary organization as described in OAR 863-024-0061.

(9) The initial registration term will expire on the last day of initial month of registration. The initial term is not less than 12 months and is not more than 12 months plus the number of days between the date the registration is issued and the last day of the initial registration

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.026, Chapter 389, (2025 Laws)

AMEND: 863-024-0097

RULE TITLE: Registered Business Name Renewal

RULE SUMMARY: Inserted authorized principal broker terminology.

RULE TEXT:

- (1) Only an authorized principal broker or licensed property manager can submit a registered business name renewal application and pay the fee using an online application process, which will be available through the Agency's website.
- (2) For purposes of this rule, "received by the Agency" means the date an authorized principal broker or licensed property manager completed the online renewal process and paid the fee required under ORS 696.270.
- (3) A registered business name that is not renewed on or before the registration expiration date will be void.
- (4) If a registered business name becomes void, all real estate licensees authorized to manage rental real estate under that name will be inactivated and may not engage in the management of rental real estate until transferred under OAR 863-024-0063.
- (5) A managing principal broker or licensed property manager that wishes to reactivate a voided registered business name must reapply after a business name expiration as provided by OAR 863-024-0095.
- (6) When a new application for a voided registered business name has been processed and activated by the Agency, the authorized principal broker or licensed property manager may then authorize other real estate licensees to manage rental real estate under the name by completing the process under OAR 863-024-0063. Effective dates are not retroactive.
- (7) A registered business name renewed under this rule expires one year from the date of the original expiration date.

STATUTORY/OTHER AUTHORITY: ORS 696.385, ORS 696.026

STATUTES/OTHER IMPLEMENTED: ORS 696.026

AMEND: 863-024-0120

RULE TITLE: Deceased or Incapacitated Property Manager

RULE SUMMARY: Inserted managing principal broker in the rule in place of principal broker.

RULE TEXT:

(1) If the Commissioner issues a temporary license to an unlicensed person under ORS 696.205, the licensee's activities may be limited to winding up the affairs of the deceased or incapacitated managing principal broker or licensed property manager's management of rental real estate. This may include, but is not limited to, terminating property management agreements per the terms of OAR 863-025-0070.

(2) The holder of a temporary license is subject to ORS Chapter 696 and its implementing rules while engaging in professional real estate activity under the terms of the temporary license.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.205, Chapter 389, (2025 Laws)

AMEND: 863-025-0010

RULE TITLE: Definitions

RULE SUMMARY: Created a definition of real estate licensee that excludes timeshare sales agent, inserted managing principal broker and authorized principal broker definitions.

RULE TEXT:

In addition to the definitions used in ORS 696.010 and OAR 863-015-0120, as used in OAR 863-025-0015 to 863-025-0080, unless the context requires otherwise:

- (1) "Agency" means the Real Estate Agency.
- (2) "Audit trail" means a documented history of a financial transaction by which the transaction can be traced to its source.
- (3) "Authorized principal broker" means a managing principal broker, or a principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.
- (4) "Bank" is defined in ORS 696.010.
- (5) "Banking day" means each day a bank is required to be open for the normal conduct of its business but does not include Saturday, Sunday, or any legal holiday under ORS 187.010.
- (6) "Business day" is defined in ORS 696.010.
- (7) "Clients' Trust Account" means a federally insured bank account labeled as "Clients' Trust Account" or "Client Trust Account" on all bank records and checks that is established and maintained by a property manager, acting on behalf of an owner under a property management agreement, for depositing, holding and disbursing funds received by the property manager on behalf of an owner, including application fees and application screening fees that is subject to the provisions of ORS 696.241.
- (8) "Compliance review" means an Agency review of a property manager's records and procedures for the purpose of educating the property manager on statutes and rules.
- (9) "Cure noncompliance" means a property manager's acts that resolve the property manager's failure to comply with statutory and rule requirements.
- (10) "Employee" means a non-licensed individual employed by a property manager for wages or a salary.
- (11) "Identifying code" means a unique series of letters and/or numbers assigned by a property manager to a property management agreement at the time the agreement is signed by the parties and used on all transactions and records to reference the agreement. A property manager may use a supplemental unique series of letters and/or numbers on transactions and records if the property manager establishes a clear audit trail to a specific property management agreement and to the original

identifying code.

(12) “Investigation” means an Agency-initiated investigation of a property manager that may result in administrative actions against the licensee.

(13) “Licensed property manager” means “licensed real estate property manager” as defined in ORS 696.010.

(14) “Managing principal broker” as defined in HB 3137 section 2a.

(15) “Owner” means a person or persons who own rental real estate that is managed by a property manager.

(16) “Principal broker” means a “principal real estate broker” as defined in ORS 696.010.

(17) “Property management agreement” is defined in ORS 696.010.

(18) “Property manager” means a “Real estate property manager” as defined in ORS 696.010.

(19) “Reconciliation review” means a review of a property manager’s clients’ trust account reconciliation information and documents for compliance with OAR 863-025-0028.

(20) “Records” and “property management records” mean a complete and adequate documentation of the management of rental real estate.

(21) “Real estate licensee,” for the purposes of this division, is defined as a real estate broker, principal real estate broker, and real estate property manager, but does not include timeshare sales agents.

(22) “Security Deposit” means a conditionally refundable payment or deposit of funds, however designated, the primary function of which is to secure the performance of a rental or lease agreement or any part of a rental or lease agreement.

(23) “Security Deposits Account” means a federally insured clients’ trust account labeled as “Clients’ Trust Account — Security Deposits” or “Client Trust Account SD” on all bank records and checks that is established and maintained by a property manager, acting in a fiduciary capacity on behalf of an owner under a property management agreement, for depositing, holding and disbursing security deposit funds that is subject to the provisions of ORS 696.241.

(24) “Sufficient funds” or “sufficient credit balance” means an amount of funds on an owner’s ledger or a tenant’s ledger that is equal to or greater than the amount of a planned disbursement from a clients’ trust account or a security deposits account but which must not include any security deposits in a security deposits trust account that are required to be held pending the termination of a rental agreement. Only funds belonging to the owner or tenant on whose behalf the disbursement is planned may be considered in determining if there are sufficient funds or a sufficient credit balance.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.010, Chapter 389, (2025 Laws)



AMEND: 863-025-0015

RULE TITLE: Written Policies and Delegation of Authority

RULE SUMMARY: Add authorized principal broker terminology.

RULE TEXT:

(1) Each property manager must develop, maintain, and follow written policies for persons and activities under this rule.

(2) Each policy must state the effective date of the policy.

(3) Policies must specify the duties, responsibilities, supervision and authority, including any authority to handle funds in a clients' trust account or security deposits account, for the following persons:

(a) A licensed property manager employed by a property manager, including any authority to negotiate tenant rental and lease agreements;

(b) An active real estate licensee engaged in the management of rental real estate under the supervision and control of an authorized principal broker, including any authority to sign property management agreements under OAR 863-025-0020(6) and tenant rental and lease agreements under 863-025-0045(2); and

(c) An employee of the property manager, including any authority to:

(A) Negotiate tenant rental or lease agreements under OAR 863-025-0045(2);

(B) Check applicant or tenant references, including credit references;

(C) Physically maintain the real estate of an owner;

(D) Conduct tenant relations;

(E) Collect rent and other payments;

(F) Supervise premise managers; or

(G) Discuss financial matters relating to management of the real estate with the owner; and

(d) Contractors.

(4) Policies must include provisions that specify the production and maintenance of all reports, records and documents required under this division.

(5) The following delegations of the property manager's authority must be in writing, dated and signed by the property manager and signed by the individual who is receiving the authority, and kept with written policies:

- (a) Negotiate and sign property management agreements under OAR 863-025-0020(6);
- (b) Review and approve reconciliations and receive and disburse funds under OAR 863-025-0028(5);  
and
- (c) Review, approve and accept tenant rental and lease agreements under OAR 863-025-0045(2).

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.315

AMEND: 863-025-0020

RULE TITLE: Property Management Agreements

RULE SUMMARY: Inserted authorized principal broker terminology.

RULE TEXT:

- (1) A property manager must not engage in the management of rental real estate without a written, unexpired property management agreement between the owner and the property manager.
- (2) A property management agreement must include, but is not limited to:
  - (a) The address or legal description of the owner's rental real estate;
  - (b) The duties and responsibilities of the property manager and the owner;
  - (c) The authority and powers given by the owner to the property manager;
  - (d) The term of the agreement and the method for termination;
  - (e) The terms and conditions of the agreement;
  - (f) The management fees, application fees, screening fees, rebates, discounts, overrides and any other form of compensation to be received by the property manager for management of rental real estate including when such compensation is earned and when it will be paid;
  - (g) A description of the monthly statements of accounting the property manager will provide to the owner;
  - (h) The disposition of the property manager's records of the management of the owner's rental real estate after termination of the agreement;
  - (i) Disclosure of the use of employees or a business in which the property manager has a pecuniary interest at the time of the execution of the property management agreement, that will provide services for the owner's property;
  - (j) A statement that the property manager will disclose to the owner, in writing, the property manager's planned use of any employees or a business in which the property manager has a pecuniary interest to provide services for the owner's property, if such employees or business were not disclosed in the property management agreement pursuant to section (2)(i) of this rule;
  - (k) An identifying code;
  - (L) Signatures of the property manager, or a person authorized in section (6) of this rule, and the owner; and
  - (m) The date of the agreement.

(3) If the property manager and owner agree to any of the following terms, the terms must be included in the property management agreement:

(a) Payment of a referral fee, rent credit or other compensation to a tenant as allowed under ORS 696.290(5);

(b) Placement of trust funds received by a property manager in a federally insured interest-bearing clients' trust account or security deposits account as allowed under ORS 696.241(7), including provisions specifying to whom the interest earnings inure as follows:

(A) If the interest earnings inure to the benefit of the owner, when such interest earnings will be disbursed;

(B) If the interest earnings inure to the benefit of the property manager, that such interest will be disbursed to the property manager within ten calendar days from the date of the bank statement on which such interest is first shown as required in OAR 863-025-0025(8) and

(c) Specific charges that will be paid by the owner.

(4) Any amendment or addendum to the property management agreement must be in writing and include the identifying code, the date of the amendment, the signature of the property manager and the signatures of all owners who signed the initial property management agreement.

(5) Only a principal real estate broker or real estate broker may enter into an agreement, which must be separate from the property management agreement, authorizing the principal broker or real estate broker to represent an owner in the purchase, sale, lease-option or exchange of the rental real estate that must include:

(a) The scope of the professional real estate activity;

(b) The term of the agreement;

(c) The compensation to be paid by the owner to the broker;

(d) Signatures of the real estate broker and the owner; and

(e) The date of the separate agreement.

(6) Only a property manager may negotiate and sign a property management agreement, except that an authorized principal broker engaging in the management of rental real estate may delegate such authority under OAR 863-025-0015(5) to a real estate licensee who is under the supervision and control of the authorized principal broker.

(7) The property manager must promptly deliver a legible copy of the fully executed property management agreement, and any addenda or amendments, to the owner.

STATUTORY/OTHER AUTHORITY: ORS 696.385, ORS 183.335

STATUTES/OTHER IMPLEMENTED: ORS 696.280

AMEND: 863-025-0045

RULE TITLE: Tenant Agreements

RULE SUMMARY: Inserted authorized principal broker terminology in paragraph 2.

RULE TEXT:

(1) Residential Property. The property manager must file and maintain legible copies of all tenant rental or lease agreements for the time period required under OAR 863-025-0035. Each tenant rental or lease agreement prepared by a property manager for residential real estate must contain, in addition to and not in lieu of any applicable requirements of the Residential Landlord and Tenant Act, the following:

(a) The registered business name and business address of the property manager and the name and address of the tenant. If a real estate licensee executes the rental or lease agreement on behalf of the licensee's authorized principal broker, the name of the real estate licensee acting for the authorized principal broker in executing the agreement;

(b) The mailing address or unit number of property being rented or leased, the amount and payment conditions of the rental or lease, and the rental or lease term;

(c) The amount of and the reason for all funds paid by the tenant to the property manager including, but not limited to, funds for rent, conditionally refundable security deposits including whether held by the property manager or the property owner, and any fees or other charges;

(d) Signatures of the property manager, or person authorized under OAR 863-025-0015, and the tenant; and

(e) The date of the agreement.

(2) The property manager must promptly deliver a legible copy of the fully executed tenant agreement, and any addenda or amendments, to the tenant.

(3) Residential and Non-Residential Property. The property manager must file and maintain legible copies of all tenant's rental or lease agreements for the time period required under OAR 863-025-0035. A property manager must review each tenant rental or lease agreement generated by the property manager; however, a property manager may authorize in writing another individual who is licensed to or employed by the property manager to review and approve and accept tenant rental and lease agreements on behalf of the property manager. In case of such authorization, the property manager remains responsible for each tenant rental and lease agreement approved or accepted by such real estate licensee or employee. The property manager must produce the written authorization at the request of the Commissioner or the Commissioner's authorized representative.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.280

AMEND: 863-025-0090

RULE TITLE: Reconciliation Review

RULE SUMMARY: Rule cleanup, replaced principal broker with property manager in paragraphs 3 and 5 for clarity.

RULE TEXT:

- (1) The Agency will conduct clients' trust account reconciliation reviews.
- (2) The Agency will provide a property manager with written notice of a clients' trust account reconciliation review at least 10 business days before required information and documentation must be provided to the Agency.
- (3) After the Agency reviews the information and documents provided in a reconciliation review, the Agency will take one of the following actions:
  - (a) If the information and documents are in compliance with statutes and rules, the Agency will provide written notice to the property manager confirming compliance only as to the information and documents provided;
  - (b) If the information and documents indicate that the property manager may be subject to additional documentation and procedural requirements that were not part of the reconciliation review, the Agency will provide written notice to the property manager detailing the Agency's expectations for compliance on those matters;
  - (c) If the information and documents demonstrate that the property manager is not in compliance, the Agency will provide written notice to property manager that:
    - (A) The property manager must cure all noncompliance issues and provide information and documentation to the Agency that the noncompliance has been cured within 30 days of the date of the notice; and
    - (B) If all noncompliance issues are not cured within 30 days, the Agency may:
      - (i) Issue an educational letter of advice;
      - (ii) Impose sanctions on the property manager; or
      - (iii) Initiate an investigation and not allow additional time for the property manager to cure the noncompliance.
  - (d) If the Agency has reasonable grounds to believe that the funds belonging to others may be missing, funds may have been misappropriated, or that the property manager's records are in such a condition that the property manager is placing funds belonging to others at risk, the Agency may immediately initiate an investigation without providing a principal broker with an opportunity to cure noncompliance.

(4) If a property manager does not respond to a reconciliation review within the time period required in the notice, the Agency may initiate an investigation.

(5) The Agency may conduct a reconciliation review:

(a) As part of a regular, routine, and random selection of property manager clients' trust accounts for reconciliation mail-in reviews;

(b) After a compliance review, when the Agency has determined that a property manager was not in compliance and provided the property manager with an opportunity to cure the non-compliance; and

(c) After an investigation has been initiated.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: ORS 696.280



AMEND: 863-025-0125

RULE TITLE: Advertising

RULE SUMMARY: Inserted managing principal broker in para (2)(c).

RULE TEXT:

(1) As used in this rule, "advertising" and "advertisement" include all forms of meaningful communication by or on behalf of a property manager designed to attract the public to the use of services related to the management of rental real estate. This includes, but is not limited to:

(a) Print, including but not limited to mail, publications, brochures, postcards, business cards, and stationery;

(b) Signs, including but not limited to lawn signs, displays, and billboards;

(c) Phone, including but not limited to mobile phone, text messaging, cold calling, and outgoing voicemail messaging;

(d) Broadcast media, including but not limited to radio, television, podcasts, and video; and

(e) Electronic media, including but not limited to multiple listing services, websites, email, social media, mobile apps, and other online marketing.

(2) Advertising shall:

(a) Be identifiable as advertising of a real estate licensee;

(b) Be truthful and not deceptive or misleading;

(c) Not state or imply that the licensee is responsible for operating the registered business unless the licensee is a managing principal broker or a licensed property manager pursuant to ORS 696.200;

(d) Not state or imply that the licensee is qualified or has a level of expertise other than as currently maintained by the licensee; and

(e) Be conducted for the purpose of offering real estate for rent or lease under a property management agreement with the property owner.

(3) Advertising that includes the licensee's name shall use:

(a) The licensee's licensed name;

(b) A common derivative of the licensee's first name and the licensee's licensed last name; or

(c) An alternative name registered with the Agency per OAR 863-024-XXXX and the licensee's license number.

(4) The registered business name, as registered with the Agency, shall be immediately noticeable in all advertising.

(5) Advertising in electronic media is subject to the following requirements:

(a) Advertising shall comply with all other requirements of this rule;

(b) Advertising by a property manager shall include on its primary or home page:

(A) The licensee's name as required in section (3) of this rule; and

(B) The registered business name as registered with the Agency.

(c) Sponsored links, which are paid advertisements located on a search engine results page, are exempt from the requirements contained in subsection (b) of this section if the first page following the link complies with subsection (a).

(d) An email or text message from a licensee is exempt from the requirements of subsection (b) of this section if the licensee's initial communication contained the information required by subsection (a).

(e) Advertising on social media is exempt from the requirements contained in subsection (b) of this section if the advertising links to the account profile page or a separate page that complies with subsection (b).

(6) No advertising may guarantee future profits from any rental real estate.

STATUTORY/OTHER AUTHORITY: ORS 696.385

STATUTES/OTHER IMPLEMENTED: Chapter 389, (2025 Laws)

AMEND: 863-050-0052

RULE TITLE: Disbursal of Disputed Managing Principal Broker Compensation

RULE SUMMARY: Replaced principal broker with managing principal broker.

RULE TEXT:

If there is a dispute among or between managing principal brokers regarding who is entitled to the moneys or other property agreed to as compensation in a written compensation agreement, and the escrow agent is holding such moneys or other property pursuant to ORS 696.582(1)(a), the escrow agent must hold the moneys or other property until the escrow agent receives a written agreement between the managing principal brokers or a final order from a court directing the escrow agent to disburse the moneys or other property.

STATUTORY/OTHER AUTHORITY: ORS 696.385, ORS 696.541

STATUTES/OTHER IMPLEMENTED: ORS 696.582, Chapter 389, (2025 Laws)

