

1 OREGON REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of)
5)
6 CHERYL LYNCH) STIPULATED FINAL ORDER
7)
8)
9

10 The Real Estate Agency (OREA) and Cheryl Lynch (Lynch) do hereby agree and
11 stipulate to the following:

12 FINDINGS OF FACT
13 AND
14 CONCLUSIONS OF LAW

15 1.

16 1.1 Lynch was licensed as a broker associated with the registered business name of
17 Century 21 Realty Specialist (Century 21) until July 17, 2012. Lynch worked for Donn Walls,
18 who is the principal broker for Century 21 and Hermiston Property Management (HPM).

19 1.2 On July 23, 2012, OREA received a complaint from Walls alleging that Lynch
20 was conducting property management activity without a license. Walls also alleged that Lynch
21 was soliciting property owners from HPM to cancel their property management agreements
22 with HPM and transfer to her new company, Secure Property Management (SPM). The
23 subsequent investigation found the following violations.

24 1.3 Lynch wrote letters to HPM clients, telling them that she was with SPM and
25 wanted to continue as their property manager while she was still licensed with Century 21.

26 **Violations:** ORS 696.301(1), (4), (6), (12), (14) and (15) (2011 Edition), which states
27 that a licensee may be disciplined if they create a reasonable probability of damage or injury to
28 a person by making one or more material misrepresentations in a matter related to
29 professional real estate activity, if they knowingly publish materially misleading or untruthful
30 advertising, if they demonstrate untrustworthiness in performing any act for which the licensee

1 is required to hold a license, if they commit an act of fraud or engage in dishonest conduct
2 substantially related to the fitness of the licensee to conduct professional real estate activity,
3 and/or if they engage in any conduct that is below the standard of care for the practice of
4 professional real estate activity in Oregon; and OAR 863-015-0125(2)(d) (9/1/11 Edition),
5 which requires that all advertising by a licensee be truthful and not deceptive or misleading.

6 1.4 Lynch solicited HPM clients while her license was inactive through emails, letters
7 and phone calls from July 17, 2012 through August 1, 2012, to manage their properties
8 through SPM. In addition, Lynch accepted a tenant's rent payment.

9 **Violation:** ORS 696.020(2) (2011 Edition), which states that an individual may not
10 engage in professional real estate activity within this state unless the individual holds an active
11 license.

12 1.5 Lynch opened an office to the public and placed a SPM sign on the office door
13 and on the building, which was located at 985 N. First St, Hermiston, Oregon, before the
14 business was registered with OREA.

15 **Violation:** ORS 696.026 (2011 Edition), which requires that a business name be
16 registered with OREA by a principal broker or property manager before conducting any real
17 estate activity under that business name, and ORS 696.020(2) (2011 Edition), which states
18 that an individual may not engage in professional real estate activity within this state unless the
19 individual holds an active license.

20 2.

21 OREA reserves the right to investigate and pursue additional complaints that may be
22 received in the future regarding this licensee.

23 **STIPULATION & WAIVER**

24 I have read and reviewed the above findings of fact and conclusions of law which have
25 been submitted to me by OREA and further, the order which follows hereafter. I understand
26 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and
27 complete agreement and stipulation between OREA and me. I further understand that if I do
28 not agree with this stipulation I have the right to request a hearing on this matter and to be
29 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
30 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and

1 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
2 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
3 judicial review of this matter.

4 I hereby agree and stipulate to the above findings of fact and conclusions of law and
5 understand that the order which follows hereafter may be completed and signed by the Real
6 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
7 amended notice of intent may be issued in this matter. I understand that, in accordance with
8 the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
9 Estate News Journal.

10 ORDER

11 IT IS HEREBY ORDERED that Lynch's license be, and hereby is, reprimanded.

12 IN ADDITION, IT IS HEREBY ORDERED that, pursuant to ORS 696.990 and based
13 upon the violations set forth above, Lynch pay a civil penalty for unlicensed real estate activity
14 in the sum of \$4,500, said penalty to be paid to the General Fund of the State Treasury by
15 paying the same to OREA, and must be paid in full before her license may be renewed.

16
17 IT IS SO STIPULATED:

IT IS SO ORDERED:

18
19
20 Cheryl S Lynch

21 CHERYL LYNCH

20 Gene Bentley

21 GENE BENTLEY

22 Real Estate Commissioner

23 Date 11-9-12

23 Date 11.19.12

24
25 DATE of service: 11-20-12