

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Property Manager's
5 License of
6
7 JENNIFER CRANE
8

}
STIPULATED FINAL ORDER

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

12 FINDINGS OF FACT

13 1. At all times mentioned herein, Crane was licensed as a property manager doing
14 business under the registered business name of Crane Property Management (CPM) from July
15 13, 2006 through April 30, 2008, and from July 15, 2008 until her license expired on April 30,
16 2012. Crane submitted a renewal application to OREA on December 6, 2012, which is in
17 pending status. Crane continued to conduct property management activity during the time that
18 her license was expired. Crane has assisted a court-appointed receiver in the management of
19 CPM since the appointment on January 14, 2013.

20 2. On November 16, 2012, a notice of a mandatory mail-in audit was mailed to CPM
21 with an erroneous due date of August 27, 2012. A second notice of a mandatory mail-in audit
22 was mailed to CPM with a corrected due date on November 27, 2012, requesting the audit
23 documents be submitted no later than thirty days from the date of the letter.

24 3. On November 27, 2012, Lindsey Nunes (Nunes), a Compliance Specialist for
25 OREA, received an email with a seven page letter attached from Crane. In the letter, Crane
26 admitted that her bookkeeper had been doing two way reconciliations instead of three way
27 reconciliations. Crane also admitted that around late 2009 or early 2010, she had become
28 aware of a shortage of about \$40,000.00 in the Client Trust-Security Deposit account. Crane
29 admitted that in about January or February of 2012, she was informed by the bookkeeper that
30 the deficit in the Client Trust-Security Deposit account had grown to over \$100,000.00. In the

1 letter, Crane said she had learned that money had been regularly transferred from the Client
2 Trust-Security Deposit account to the Client Trust-Property Management account to make up
3 what was an ongoing shortfall due to operating expenses exceeding revenue. Crane also
4 admitted that money was regularly transferred from the Client Trust-Property Management
5 account to the business account to cover expenses.

6 4. On November 29, 2012, Crane was interviewed by OREA at her office, located at
7 256 Pioneer Street, Ashland, Oregon, regarding Crane's admission to the OREA that money
8 was missing from her Client Trust-Security Deposit account. During the course of the interview
9 Crane repeated the admissions from her November 27, 2012 letter.

10 5. On November 29, 2012, a trust account reconciliation was performed by the
11 OREA on the CPM Client Trust-Security Deposit account ending in #1706 as of November 28,
12 2012. The reconciliation showed a shortage of \$264,555.00.

13 6.. A trust account reconciliation was also performed by the OREA on the CPM
14 Client Trust-Property Management account ending in #6294 as of November 28, 2012. The
15 reconciliation showed a shortage of \$27,144.83.

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CONCLUSIONS OF LAW

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1. Crane violated ORS 696.301(3) as it incorporates OAR 863-025-0025(20) and
(21) (9/1/11 Edition), which states that a property manager must reconcile each clients' trust
account within 30 calendar days of the date of the bank statement, and that a property
manager must take corrective action to resolve all adjustments made in a reconciliation prior to
the next reconciliation or document the good faith efforts the property manager has taken to
resolve the adjustment;

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2. Crane violated ORS 696.301(3) as it incorporates OAR 863-025-0030(1)
(9/1/2011 Edition), which states that all tenants' security deposits received by a property
manager must be deposited and maintained in a security deposit account until it is forwarded
to the owner, or it is disbursed or refunded per the tenant's rental or lease agreement;

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3. Crane violated ORS 696.301(12) (2011 Edition) which states that a real estate
licensee may be disciplined if they demonstrate incompetence or untrustworthiness in
performing any act for which the licensee is required to hold a license

1 amended notice of intent may be issued in this matter. I understand that, in accordance with
2 the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
3 Estate News Journal.

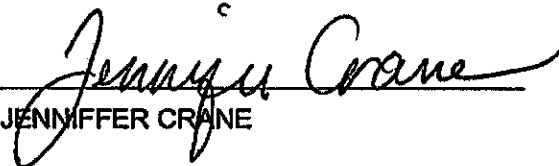
4
5 ORDER

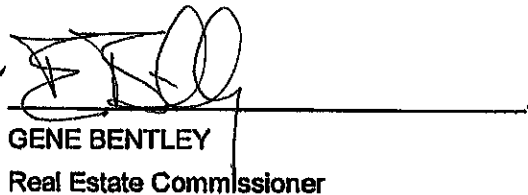
6 IT IS HEREBY ORDERED as follows:

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8 1. Jennifer Crane's license renewal application is denied and that property manager
9 license is revoked, with said revocation to be effective on the 17th day of
10 DECEMBER, 2013.
11 2. A civil penalty is imposed in the amount of \$3100. The civil penalty will be waived if
12 Crane signs and returns this stipulated order to the Commissioner on or before:
13 12.17.13
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15 IT IS SO STIPULATED:

IT IS SO ORDERED:

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18 _____
19 JENNIFER CRANE

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21 _____
22 GENE BENTLEY
23 Real Estate Commissioner

24 Date _____

25 Date 12.17.13

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27 DATE of service: 12/18/13
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