

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

4 In the Matter of the Real Estate License of

5
6 ANDREW M. KELLY

ORDER ON DEFAULT

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9 1.

10 1.1 On October 17, 2012, the Real Estate Commissioner issued, by certified mail, a
11 notice of intent to revoke the real estate principal broker's license of Andrew M. Kelly (Kelly).
12 The Real Estate Agency (OREA) sent the notice of intent to Kelly's last known address of
13 record with the OREA. The notice of intent was also mailed to Kelly by regular first class mail
14 in a handwritten envelope.

15 1.2 Kelly received the notice of intent sent by certified mail on October 19, 2012.

16 1.3 On November 6, 2012, Kelly requested a hearing, which was subsequently
17 scheduled for March 12, 2013.

18 1.4 Kelly withdrew his request for hearing on March 10, 2013.

19 1.5 Copies of the entire investigation file are designated as the record for purposes
20 of default, including any submission from respondent and all information in the administrative
21 file relating to the mailing of notices and any responses received.

22 FINDINGS OF FACT AND CONCLUSIONS OF LAW

23 2.

24 2.1 At all times mentioned herein, Kelly was licensed as a principal broker doing
25 business under the registered business names of Northwest Real Estate Partners LLC, and
26 Blu Dot Realty, Inc.

27 2.2 On February 29, 2012, OREA received a complaint filed by Daniel Duyck,
28 Attorney, on behalf of Edward and Sandra Martin (the Martins) and their interest in E&S
29 Construction Company (E&S) and the Mary M Martin Trust (Martin Trust). The Martins allege
30 that Kelly borrowed \$60,000 from E&S and \$50,000 from the Martin Trust, and that the loans

1 were secured by trust deeds in three Portland properties, of which he knowingly was not the
2 sole owner, and that he has not paid the balances owing. The deeds were not recorded at the
3 time of the loans. The subsequent investigation found the following violations.

4 2.3 Kelly conveyed an interest in title to three properties without fully disclosing his
5 true, partial ownership interest in the properties.

6 **Violation:** ORS 696.301(14) (2005 Edition), which states that a licensee may be
7 disciplined if they commit an act of fraud or engage in dishonest conduct substantially related
8 to the fitness of the licensee to conduct professional real estate activity.

9 2.4 Kelly secured investment loans from the Martins on these same three properties
10 which were already encumbered by loans in first position, and did not fully disclose those facts
11 to all parties.

12 **Violation:** ORS 696.301(14) (2005 Edition), which states that a licensee may be
13 disciplined if they commit an act of fraud or engage in dishonest conduct substantially related
14 to the fitness of the licensee to conduct professional real estate activity.

15 3.

16 3.1 Based on these findings, OREA is revoking Kelly's real estate license for
17 violation of ORS 696.301(14).

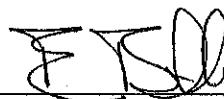
18 3.2 Based on the foregoing violations, revocation is appropriate under ORS
19 696.396(2)(c)(A) and (C).

20 ORDER

21 IT IS HEREBY ORDERED that the real estate principal broker's license of Andrew Kelly
22 be revoked, with said revocation to be effective the date of this order.

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24 Dated this 15th day of March, 2013.

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26 OREGON REAL ESTATE AGENCY

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28 _____
29 GENE BENTLEY
30 Real Estate Commissioner

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DATE of service: 3/5/13

NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by filing a petition for review within 60 days from the date of service of this order. Judicial review is pursuant to the provisions of ORS 183.482.