

1 REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER  
3

4 In the Matter of the Real Estate License of

5  
6 JEAN MARIE RYCHLIK

7  
8 } STIPULATED FINAL ORDER  
9

10 The Oregon Real Estate Agency (OREA) and Jean Marie Rychlik (Rychlik) do hereby  
11 agree and stipulate to the following:

12 FINDINGS OF FACT

13 &

14 CONCLUSIONS OF LAW

15 1.

16 1.1 Rychlik was licensed as a principal broker with Summa Real Estate Associates  
17 from April 7, 2014 until March 3, 2015.

18 1.2 On August 21, 2014, OREA received an anonymous complaint alleging that  
19 Thomas Rychlik and Rychlik took financial advantage of Robert Hoyt (Hoyt) by purchasing  
20 Hoyt's property, 2345 NW Irving St., Portland, OR 97210 (subject property) at a substantially  
21 reduced price.

22 1.3 The complaint stated the county valued the property at \$433,120, but Rychlik  
23 purchased the home for \$250,000.

24 1.4 On October 24, 2014, OREA opened an investigation.

25 1.5 On September 5, 2014, the OREA received a written response to the complaint  
26 from Rychlik. Rychlik stated, "We will be living in the property when the repairs are complete,  
27 and hope that Robert will be a frequent visitor. The intention was never to buy, fix, and sell for  
28 a quick buck, but to create a home where my son can continue school with the same school  
29 district he has been attending. We will also be leaving some space for Robert to house some  
30 of his books."

1           1.6    On November 25, 2014, OREA Investigator Jeremy Brooks (Brooks) met with  
2 Rychlik to discuss the complaint and the investigation.

3           1.7    Rychlik explained to Brooks that she lived a few blocks away from the subject  
4 property and had walked past it several times. She noticed the property was vacant and in  
5 poor condition. She became interested in buying the home and went to the county assessor's  
6 office to locate the owner. She found Hoyt owned the subject property along with several other  
7 homes.

8           1.8    Rychlik began visiting each of Hoyt's properties until she found him. Brooks  
9 asked Rychlik if she informed Hoyt she was a licensed real estate broker. Rychlik replied she  
10 did. In Rychlik's written response to the complaint she wrote, "Upon meeting Robert, the first  
11 words I spoke were, "I am a Realtor." I handed him my card and told him the purpose of my  
12 visit."

13          1.9    Over time she developed a relationship with Hoyt. Hoyt initially asked \$200,000  
14 for the property, but he and Rychlik agreed upon a final price of \$250,000.

15          1.10   To make the transaction as easy as possible for Hoyt, Rychlik told Hoyt she  
16 would purchase the home "as-is" and free of conditions. This meant that Rychlik and her  
17 husband, Thomas, per her written response, "covered all title and closing costs, did not ask for  
18 any repairs or disclosures, and took the risk and responsibility for the oil tank  
19 decommissioning, water in the basement, roof and all other systems."

20          1.11   The sales agreement for the subject property is a one page document, which lists  
21 Hoyt as the seller and Rychlik and her husband as the buyer in the transaction. The sale price  
22 of \$250,000, was to be paid in two installments. The sales agreement omits the following  
23 required details: (1) Rychlik failed to identify herself as a licensed Oregon real estate broker;  
24 (2) She failed to disclose if she was representing herself as the buyer or seller in the  
25 transaction; and (3) The terms and conditions do not indicate whether the property transaction  
26 would commence by way of deed or land sales contract.

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1           **Violation:** By failing to identify herself as a real estate licensee in the sales agreement  
2 Rychlik violated OAR 863-015-0145(1) (5-15-14 Edition), which requires a licensee to disclose  
3 to the other party to the offer or transaction that the licensee is a real estate licensee, and it  
4 must appear in writing on at least the first written document of agreement concerning the offer  
5 or transaction.

6           **Violation:** By failing to disclose if she was representing herself as the buyer or seller in  
7 the transaction on the sales agreement, Rychlik violated OAR 863-015-0145(1) (5-15-14  
8 Edition), which states the disclosure set forth on the agreement document must also state that  
9 the real estate licensee is representing himself or herself as either the buyer or seller in the  
10 transaction.

11           **Violation:** By failing to include terms in the sales agreement that specified how the  
12 transaction would take place, Rychlik violated OAR 863-015-0135(5) (5-15-14 Edition) which  
13 requires real estate licensees to include all of the terms and conditions of the real estate  
14 transaction in the offer to purchase, or directly or by reference, in the counter-offer, including  
15 but not limited to whether the transaction will be accomplished by way of deed or land sales  
16 contract.

17           1.12 When Brooks met with Rychlik, he asked if she still planned to move into the  
18 property. Rychlik replied she is, but the renovation expenses far exceed what she had  
19 originally thought and were taking longer than expected. Rychlik provided a spreadsheet of  
20 renovation bids and the repair costs she had incurred, which totaled \$456,807.53.

21           1.13 On December 2, 2014, Brooks met with Hoyt to discuss the transaction. Hoyt  
22 said Rychlik asked him what he would take for the property. Hoyt told Rychlik the assessor  
23 listed the property value at \$250,000, which Rychlik said was too little and offered to pay him  
24 more. Hoyt refused. Hoyt stated, "There was no coercion on her part. She tried to offer  
25 \$300,000."

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1 1.14 Brooks asked Hoyt why he decided to sell the subject property to Rychlik. He  
2 said Rychlik wanted to live on the property and be part of the community, rather than tear  
3 down the home. Hoyt said Rychlik did not want him to have to fix anything and agreed to buy  
4 the home "as-is" and free of conditions. She agreed to pay all the title costs, fix the foundation,  
5 have the oil tank decommissioned and allow him all the time he needed to get his personal  
6 property out of the home. Hoyt also told Brooks Rychlik was not charging a commission.

7 1.15 Hoyt told Brooks he was pleased with the transaction. His goal was to pay off  
8 the \$100,000 mortgage on the property and was happy with the extra \$100,000 left over.  
9 Hoyt expanded on his comment by adding, "Had I held out for \$300,000 or \$350,000, I might  
10 not have as good cooperation."

11 1.16 Hoyt told Brooks he had received letters from people interested in restoring the  
12 home, but no actual offers on the subject property prior to the sale.

13 1.17 Hoyt believed the person who filed the complaint far underestimated the  
14 necessary property repairs. He said the property had foundation issues, deferred  
15 maintenance, and an oil tank that needed to be decommissioned. Additionally, the sewer line  
16 from the basement to the street needed to be replaced as well.

17 1.18 Hoyt had his accountant review the offer and found it was advantageous to  
18 accept two payments in separate taxation years for capital gains purposes.

## 19 2.

20 2.1 OREA reserves the right to investigate and pursue additional complaints that  
21 may be received in the future regarding this licensee.

### 22 STIPULATION & WAIVER

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

1 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to  
2 judicial review of this matter.

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

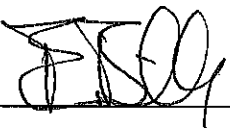
9 ORDER

10 IT IS HEREBY ORDERED that Rychlik's principal broker license be, and hereby is,  
11 reprimanded.

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13 IT IS SO STIPULATED:

IT IS SO ORDERED:

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17 JEAN MARIE RYCHLIK

  
18 GENE BENTLEY

Real Estate Commissioner

19 Date 10.7.15

Date 11.9.15

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21 DATE of service: 11/9/2015

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