

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
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4 In the Matter of the Real Estate License of

5
6 EVERETT B. EICHLER
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)
STIPULATED FINAL ORDER

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10 The Oregon Real Estate Agency (Agency) and Everett B. Eichler (Eichler) do hereby
11 agree and stipulate to the following:

12 FINDINGS OF FACT

13 &

14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Eichler was licensed as a property manager doing
17 business under the registered business name of Classic Property Management, LLC (CPM).

18 1.2 On November 29, 2016, the Agency sent Eichler a mandatory mail-in audit letter
19 requesting CPM's August 2016 three-way reconciliation records for clients' trust account
20 ending #3320.

21 1.3 The November 29, 2016 audit letter was sent to CPM's main office address on
22 file with the Agency located at 833 Glendale Ave, Ashland, OR 97520. Eichler did not receive
23 the audit letter, because he had moved his main office to 2645 Thompson Creek Rd.,
24 Applegate OR, 97350. Eichler failed to update his main office address on file with the Agency
25 prior to changing the location. He has since updated the Agency with the current location for
26 his main office.

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1 **Violation:** By failing to notify the Agency prior to changing the main office location from
2 888 Glendale Ave., Ashland, OR 97250 to 2645 Thompson Creek Rd., Applegate, OR 97350,
3 Eichler violated ORS 696.301(3) as it incorporates ORS 696.200(1)(d) and (2) (2015 Edition)
4 which states a property manager shall: (d) before changing a main office location, notify the
5 agency of the new location, and (2) the change of a business location without notification to the
6 agency as required by subsections (1) and (5) of this section is grounds for revocation of a real
7 estate license.

8 1.4 Eichler was required to produce the records for the audit by December 29, 2016.
9 The records were not produced by the required date, because Eichler failed to receive the
10 November 29, 2016 audit letter.

11 **Violation:** By failing to provide the reconciliation paperwork for the clients' trust account
12 audit by the December 29, 2016 deadline, Eichler violated ORS 696.301(3) as it incorporates
13 OAR 863-025-0035(2)(a) and (c) (11-15-16 Edition). OAR 863-025-0035(2)(a) states, when
14 the Agency makes a request for production of property management records, the property
15 manager must provide such records within no less than five banking days. OAR 863-025-
16 0035(2)(c) states failure to produce such records within the timelines stated in OAR 863-025-
17 0035(2)(a) or (b) of this section is a violation of ORS 696.301.

18 1.5 Agency Compliance Specialist Danette Rozell (Rozell) was able to speak with
19 Eichler and she was put in contact with Eichler's bookkeeper, Harmony Reef (Reeff). Reef
20 explained that she was re-hired by Eichler in April of 2016 to take over the books from the prior
21 bookkeeper.

22 1.6 Reef had worked for Eichler in the past up to 2012, but due to medical concerns,
23 Reef could no longer provide bookkeeping services at that time, and Eichler hired a new
24 bookkeeper in 2013, and then re-hired Reef in April 2016. Reef indicated the prior
25 bookkeeper was very behind in updating the records, and as of April 2016, all of 2015 had not
26 been completed. Reef indicated she was working on February 2016 records.

27 1.7 Reef said the prior bookkeeper had not prepared any reconciliations for Eichler
28 from October 2014 throughout 2015.

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1 **Violation:** By failing to reconcile clients' trust account ending in #3320 within 30
2 calendar days of the date of the bank statement, Eichler violated ORS 696.301(3) as it
3 incorporates OAR 863-025-0025(20) (5-15-14 Edition), which requires a property manager to
4 reconcile each clients' trust account within 30 days of the date of the bank statement, with the
5 required three components.

6 1.8 Reconciliation documents submitted to the Agency for January 2016, August
7 2016, and May 2017 for account ending in #3320, and reconciliation documents submitted for
8 May 2017 for account ending in #4767, lacked Eichler's signature and date.

9 **Violation:** By not signing and dating the reconciliation document for the months of
10 January 2016, August 2016, and May 2017 for account ending in #3320, and May 2017 for
11 account ending in #4767, Eichler violated ORS 696.301(3) as it incorporates OAR 863-025-
12 0025(20)(d)(B) (5-15-14 and 11-15-16 Editions) which states a within 30 calendar days of the
13 bank statement a property manager must sign and date the reconciliation document, attesting
14 to the accuracy and completeness of the reconciliation.

15 1.9 Clients' trust account documentation for account ending in #3320 for January
16 2016 and August 2016 were reviewed. January 2016, showed outstanding deposits of
17 \$33,481.92. August 2016 showed outstanding deposits of \$38,794.42, dated January 19,
18 2015 through May 4, 2016.

19 1.10 Eichler made errors in his bookkeeping such as failing to transfer funds from one
20 account to another, leaving the cents amount off checks he wrote, or depositing a group of
21 checks into the clients' trust account at the bank but accidentally leaving one of the checks at
22 home on his scanner. Additionally, multiple bank errors occurred compounding the problem.
23 The errors remained uncorrected for quite some time.

24 1.11 When Eichler updated his ledgers, sometimes he forgot to transfer the funds
25 from the security deposits account to the clients' trust account over the course of several
26 months. According to the current bookkeeper, Reeff, the outstanding deposits were
27 transferred from the security deposits account to the clients' trust account in September 2016.

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1 **Violation:** By not taking corrective actions to resolve adjustments made in the January
2 2016 and August 2016 reconciliations, Eichler violated ORS 696.301(3) as it incorporates OAR
3 863-025-0025(22) (5-15-14 Editions) which states a property manager must take corrective
4 actions to resolve all adjustments made in a reconciliation prior to the next reconciliation or
5 document the good faith efforts the property has taken to resolve the adjustment.

6 **Violation:** By not transferring funds from the security deposits account to the clients'
7 trust account over the course of several months, Eichler violated ORS 696.301(3) as it
8 incorporates ORS 696.301(12) (2015 Edition) which states a real estate license may be
9 disciplined if the licensee demonstrated incompetence in performing any act for which the
10 licensee is required to hold a license.

11 1.12 In the August 2016 clients' trust account documentation for account ending in
12 #3320, two owner ledgers had negative balances.

- 13 • Property 508 Clinton was short \$650.00, the explanation given, was the owner
14 was overpaid in February. Repairs should have been deducted from the owner's
15 draw, but they were not, causing the ledger account to be overdrawn. Eichler
16 stated he would correct the error, and transfer the balance from his operating
17 account.
- 18 • The second instance was on property 138 Crocker, which was short \$1,720.58.
19 The explanation stated the shortage occurred due to a bank system error.
20 Included in the explanation was supporting documentation from the bank
21 regarding the error. According to Eichler, this error was corrected in September
22 2016.

23 1.13 In the May 2017 clients' trust account documentation for account ending in
24 #3320, three owner ledgers had negative balances.

- 25 • 1 Park, short \$204.00
- 26 • 263 7th, short \$20.00
- 27 • 431 Wightman, short \$770.00

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1 **Violation:** By disbursing funds from CTA #3320 when there were not sufficient funds in
2 the ledger account to do so, Eichler violated ORS 696.301(3) as it incorporates OAR 863-025-
3 0025(12) (5-15-14, 11-15-2016 Editions) which states a property manager must not disburse
4 funds from a clients' trust account or security deposits account unless there are sufficient
5 funds, as defined in OAR 863-0250-0010 in the ledger account against which the
6 disbursement is made.

7 1.14 In the clients' trust account documents submitted for May 31, 2017, the
8 document serving as the record of receipts and disbursements indicates an unknown check
9 dated 5/16/2017 for \$300.00 was debited from the security deposits account. The line item
10 was described as, "TRNS TO TRUST; EV & BK HAVE NO B/U INFO," indicating Eichler may
11 not have the backup records or information pertaining to this debit transaction out of the
12 account. The documentation did not indicate the purpose of the disbursement.

13 **Violation:** By failing to include the purpose of each disbursement in the record of
14 receipts and disbursements Eichler violated ORS 696.301(3) as it incorporates OAR 863-025-
15 0040(2)(b)(D) (11-15-14) which requires a property manager to maintain a record of receipts
16 and disbursements or a check register that contains the purpose of each disbursement.

17 1.15 All of the above demonstrate incompetence in performing acts for which Eichler
18 is required to hold a license.

19 **Violation:** ORS 696.301(12) (2015 Edition) which states a real estate license can be
20 disciplined if the licensee demonstrated incompetence in performing any act for which the
21 licensee is required to hold a license.

22 1.16 Eichler will be selected for a clients' trust account reconciliation mail-in review
23 within six months to ensure reconciliation issues have been corrected.

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2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.

2.2 The Agency reserves the right to investigate and pursue additional complaints that may be received in the future regarding this licensee.

STIPULATION & WAIVER

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

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

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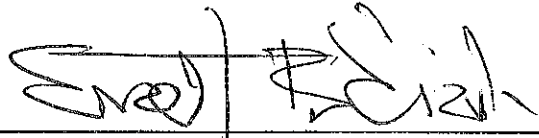
ORDER

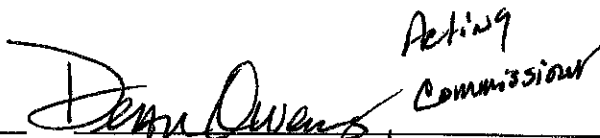
IT IS HEREBY ORDERED that the property manager license of Eichler be, and hereby is reprimanded.

IT IS FURTHER ORDERED that Eichler complete the 27-hour Property Manager Advanced Practices course, (detailed in OAR 863-022-0022, 1-1-2018 Edition), within four months from the effective date of this order. Eichler must submit a certificate to the Agency showing completion of the 27- hour Property Manager Advanced Practice Course. This certificate must be submitted to the Agency no later than 10 days after the education has been completed.

IT IS SO STIPULATED:

IT IS SO ORDERED:



 Acting Commissioner

EVERETT B. EICHLER

GENE BENTLEY

Real Estate Commissioner

Date 7-6-18

Date 7/17/2018

Date of Service: 7/17/2018

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2 BEFORE THE REAL ESTATE COMMISSIONER
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4 In the Matter of the Real Estate License of

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6 EVERETT B. EICHLER

7 ADDENDUM TO STIPULATED FINAL
8 ORDER


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10 The purpose of this document is to extend Eichler's completion due date for the 27- Property
11 Manager Advanced Practices course, as stated in the July 2018 Stipulated Final Order.

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13 Eichler requested an extension from the Agency due to medical issues.

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15 The Commissioner and Eichler stipulate that the section of the July 2018 Stipulated Final
16 Order requiring the 27-hour Property Manager Advanced Practices Course to be completed
17 within four months from the effective date of the order be changed to the following:

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19 Eichler must complete the 27-hour Property Manager Advanced Practices course, (detailed in
20 OAR 863-022-0022, 1-1-2018 Edition), by May 17, 2019. Eichler must submit a certificate to
21 the Agency showing completion of the 27- hour Property Manager Advanced Practices
22 Course. This certificate must be submitted to the Agency no later than 10 days after the
23 education has been completed.

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25 IT IS SO STIPULATED:

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28 EVERETT B. EICHLER

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30 Date 11/13/18

IT IS SO ORDERED:

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27 
28 DEAN OWENS

Acting Real Estate Commissioner

Date 11.16.18

Date of Service: 11/16/2018