

1 REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER  
3

4 In the Matter of the Real Estate License of )  
5 )  
6 MICHELLE PATRICIA WREGE ) STIPULATED FINAL ORDER  
7 )  
8 )  
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10 The Oregon Real Estate Agency (Agency) and Michelle Patricia Wrege (Wrege) do  
11 hereby 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, Wrege was licensed as a property manager doing  
17 business under the registered business name of PropM, Inc.

18 1.2 On February 8, 2017, the Agency received a complaint against Wrege. On  
19 March 20, 2017, the Agency opened an investigation.

20 1.3 From approximately July 2015 to February 2018, Wrege was not reviewing and  
21 signing the required monthly three-way reconciliation document for clients' trust account  
22 ending in #7587 and security deposits account ending in #7338.

23 **Violation:** By failing to review and sign the three-way monthly reconciliation document  
24 for clients' trust accounts ending in #7587 and security deposits account ending in #7338,  
25 Wrege violated ORS 696.301(3) as it incorporates OAR 863-025-0025(20)(d)(B), OAR 863-  
26 025-0025(21)(d)(B) (5-15-14 and 11-15-16 Editions), OAR 863-025-0028(2)(d)(B), and OAR  
27 863-025-0028(2)(d)(B), and OAR 863-025-0025(3)(d)(B) (1-1-18 Edition) which requires a  
28 property manager within 30 days of the bank statement to sign and date the reconciliation  
29 document attesting to the accuracy and completeness.

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1           1.4    On February 1, 2018, Montellano asked Wrege about written delegations for  
2 Pearson and other employees conducting property management activity on Wrege's behalf for  
3 Prop M. Wrege stated there were no written delegations and that she would remedy that  
4 immediately.

5           1.5    From approximately July 2015 to February 2018, Wrege did not have written  
6 delegations of authority in place for William Pearson and the other employees who worked for  
7 Prop M.

8           **Violation:** By failing to have written delegations in place for employees, Wrege violated  
9 ORS 696.301(3) as it incorporates OAR 863-025-0015 (5-15-14, 11-15-16 and 1-1-18  
10 Editions) which requires each property manager to develop, maintain and follow written  
11 policies specifying the duties, responsibilities, supervision and authority, including any authority  
12 to handle funds in a clients' trust account or security deposits account for an employee of the  
13 property manager.

14          1.6    Wrege failed to properly complete the required three-way monthly reconciliations  
15 for clients' trust account ending in #7587 and security deposits ending in #7338. On multiple  
16 instances between June 2017 to February 2018 the reconciliation documents Wrege provided  
17 to the Agency lacked a single reconciliation document and supporting documentation such as  
18 the check registers and owners' ledgers.

19          **Violation:** By failing to properly reconcile the clients' trust account ending in #7587 and  
20 security deposits account ending in #7338 Wrege violated ORS 696.301(3) as it incorporates  
21 OAR 863-025-0025(20)(a), OAR 863-025-0025(21)(a) (11-15-16 Edition), OAR 863-025-  
22 0028(2)(a), and OAR 863-025-0028(3)(a) (1-1-2018 Edition) which requires a property  
23 manager to reconcile each clients' trust account and security deposits account within 30  
24 calendar days of the date of the bank statement. The reconciliation must have the following  
25 three components in a single reconciliation document: bank statement balance adjusted for  
26 outstanding items, check register balance as of the date of the bank statement and the sum of  
27 all positive owners' ledgers or the sum of all positive individual security deposits (for security  
28 deposits account) held as of the date of the bank statement.

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1           1.7     Agency licensing records showed security deposits account ending in #7338 was  
2 opened on July 1, 2014, and the account name displayed was "PropM, Inc Security Deposits  
3 Account."

4           1.8     Bank statements for March, April and May 2017 for the security deposits account  
5 ending in #7338 showed the account name as "PROPM INC SECURITY DEPOSIT."

6           **Violation:** By failing to properly name the security deposits account ending in #7338  
7 Wrege violated ORS 696.301(3) as it incorporates OAR 863-025-0025(4) (5-15-14 and 11-15-  
8 16 Editions). OAR 863-025-0025(4) requires, except as provided in section (7) of the rule, a  
9 property manager who receives security deposits on behalf of an owner must open and  
10 maintain a security deposits account as defined in OAR 863-025-0010, that is separate from  
11 the property manager's clients' trust account. Security deposits account is defined by OAR  
12 863-025-0010(16) which requires a security deposits account to be federally insured and  
13 labeled as "Clients' Trust Account- Security Deposits," on all bank records and checks.

14           1.9     Agency licensing records showed clients' trust account ending in #7587 was  
15 opened on July 1, 2014, and the account name displayed was, "PropM, Inc Client Trust  
16 Account."

17           1.10    Bank statements for March, April and May 2017 for the clients' trust account  
18 ending in #7587 showed the account name as, "PROPM INC CLIENT TRUST."

19           **Violation:** By failing to properly name the clients trust account ending in #7587 Wrege  
20 violated ORS 696.301(3) as it incorporates OAR 863-025-0025(2) (5-15-14 and 11-15-16  
21 Editions). OAR 863-025-0025(2) requires a property manager to open and maintain at least  
22 one clients' trust account as defined in OAR 863-025-0010. Clients' trust account is defined in  
23 OAR 863-025-0010(4) which requires a clients' trust account to be a federally insured bank  
24 account labeled as "Clients' Trust Account" on all bank records and checks.

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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.

2.3 In establishing the violations alleged above, OREA may rely on one or more of the definitions contained in ORS 696.010.

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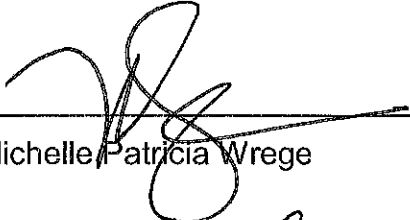
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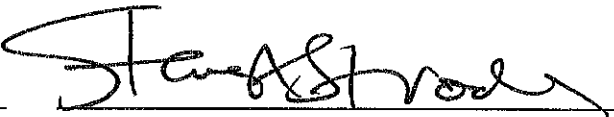
IT IS HEREBY ORDERED that the property manager license of Wrege be, and hereby is reprimanded.

IT IS FURTHER ORDERED that Wrege 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. Wrege must submit a certificate to the Agency showing completion of the 27-hour Property Manager Advanced Practices 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:

  
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Michelle Patricia Wrege  
Date 5-07-19

  
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Steven Strode  
Real Estate Commissioner  
Date 5/16/19  
Date of Service: 5/16/2019