

REAL ESTATE AGENCY  
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of  
JASON SCOTT LEINER )  
STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Jason Scott Leiner (Leiner) do hereby agree and stipulate to the following:

FINDINGS OF FACT  
&  
CONCLUSIONS OF LAW  
1.

1.1 At all times mentioned herein, Leiner was licensed as a principal broker. From January 23, 2018, through January 31, 2020, Leiner was the licensee in of Homestead Properties, Inc. (Homestead). On February 4, 2020, Leiner moved his license to Richmond American Homes of Oregon, Inc.

1.2 In November 2020, Leiner sold Homestead’s property portfolio to Oregon Rental Property Management. Per Leiner, his assistant, Kera Crabtree took over the property management after he left. After Crabtree left Homestead on November 16, 2020, no other licensee was associated with Homestead. After Crabtree left Homestead, Leiner handled the transfer of funds to Oregon Rental Property Management and closing the bank accounts.

1.3 In September 2019, The Agency selected Homestead for a mandatory clients’ trust account review for clients’ trust account ending in #0295. The Agency opened an investigation in March 2020.

1.4 As part of the investigation, Leiner provided November 2020 through January 2021 check registers for clients’ trust accounts ending #0287 and #0295. Some account entries for #0287 failed to note the payee and purpose of receipts and disbursements. For the

1 account ending in #0295, all journal entries failed to note the purpose of receipt and  
2 disbursement, and multiple other entries were missing the payee information.

3 **(1) Violation:** The check registers for clients' trust accounts ending in #0287 and #0295  
4 lacked the required detail (purpose of the funds and identity of the person who tendered the  
5 funds), in violation of ORS 696.301(3) as it incorporates OAR 863-025-0040(2)(a)(C),  
6 (2)(b)(C), and (D) (1/01/2020 and 1/1/2021 Editions), which state: (2) a record of receipts and  
7 disbursements or a check register must contain at least the following information: (a) for each  
8 receipt of funds: (C) the purpose of the funds and identity of the person who tendered the  
9 funds. (b) for each disbursement of funds: (C) the check number and payee of the  
10 disbursement; and (D) the purpose of the disbursement.

11 1.5 Upon opening Homestead, Leiner said he went to the bank and opened the  
12 accounts believing they were set up as clients' trust accounts. When he was asked to provide  
13 a Notice of Clients' Trust Account form from the bank for the reconciliation review, the bank  
14 refused to sign the form because the accounts he had were not actual clients' trust account.  
15 Leiner then went through the process of opening two new clients' trust accounts.

16 1.6 On December 9, 2019, Leiner provided a Notice of Clients' Trust Account and  
17 Authorization to Examine for two new clients' trust accounts ending in #9063 and #9071. The  
18 forms were acknowledged by a US Bank representative on November 22, 2019. When Leiner  
19 provided the documents to the Agency, neither of these accounts was reported in the Agency  
20 licensing software as required.

21 **(2) Violation:** In November 2019, Leiner opened two clients' trust accounts, however, he  
22 failed to notify the Agency in violation of ORS 696.301(3) as it incorporates ORS 696.245(2)  
23 (2019 Edition) and OAR 863-025-0025(3) (01/01/2019 Edition). OAR 863-025-0025(3) states  
24 within 10 business days from the date a clients' trust account is opened, the property manager  
25 must notify the Agency using an online process established by the Agency. This notification  
26 will include the information required in ORS 696.245, including a copy of the completed and  
27 signed "Notice of Clients' Trust Account and Authorization to Examine." Per ORS 696.245(2),  
28 within 10 business days from the date a clients' trust account is opened, a licensed real estate  
29 property manager or principal real estate broker shall notify the Real Estate Agency that the  
30 account has been opened. The notice must include the required information noted in (a)-(e).

1           1.7     Leiner submitted a reconciliation dated January 10, 2020, for account ending in  
2 #0295 prepared by Guy Schoenborn (Schoenborn). Leiner used Schoenborn for all accounting  
3 and bookkeeping. Schoenborn was in charge of entering data and preparing reconciliation  
4 reports. Leiner did not review the monthly reconciliation reports and did not have any written  
5 delegation of authority for Schoenborn.

6 **(3) Violation:** Schoenborn prepared the monthly reconciliations for accounts ending in  
7 #0287 and #0295; however, Leiner failed to review the reconciliation reports in violation of  
8 ORS 696.301(3) as it incorporates OAR 863-025-0028(2)(d)(A), (B), and (3)(d)(A), (B)  
9 (01/01/2020 Edition), which states: (2) a property manager must reconcile each clients' trust  
10 account within 30 calendar days of the date of the bank statement pursuant to the  
11 requirements contained in this section. (d) Within 30 calendar days from the date of the bank  
12 statement, the property manager must: (A) complete the reconciliation document; and (B) sign  
13 and date the reconciliation document, attesting to the accuracy and completeness of the  
14 reconciliation. (3) A property manager must reconcile each security deposits account within 30  
15 calendar days of the bank statement date pursuant to the requirements contained in this  
16 section. (d) Within 30 calendar days of the date of the bank statement, the property manager  
17 must: (A) complete the reconciliation document; and (B) sign and date the reconciliation  
18 document attesting to the accuracy and completeness of the reconciliation.

19 **(4) Violation:** By failing to have a written delegation for Schoenborn to review and approve  
20 monthly reconciliations, Leiner violated ORS 696.301(3) as it incorporates OAR 863-025-  
21 0015(5)(b) (01/01/2020 Edition) which states (5) the following delegations of the property  
22 manager's authority must be in writing, dated and signed by the property manager and signed  
23 by the individual who is receiving the authority, and kept with written policies: (b) review and  
24 approve reconciliations and receive and disburse funds under OAR 863-025-0025(23).

25           1.8     According to Cathie Velasco (Velasco), property manager with Oregon Rental  
26 Property Management (ORPM), Homestead's property portfolio transfer took effect December  
27 1, 2020.

28           1.9     The December 2020 bank statement for account ending in #0287, holding tenant  
29 security deposits, had a beginning balance of \$67,573.36. It appears all funds were  
30 transferred to account ending in #0295 and had a month-end balance of zero. No funds were

1 deposited into the account in January 2021.

2 1.10 The December 2020 bank statement for account ending in #0295 had an ending  
3 balance of \$2,038.00. It appears Homestead collected some rents and disbursed \$99,278.64.  
4 Leiner said his bookkeeper advised him to deposit \$1,500 from Homestead's operating  
5 account on December 24, 2020, to cover any outstanding expenses.

6 **(5) Violation:** In December 2020, Leiner deposited money from the operating account of  
7 Homestead Properties, Inc. into clients' trust account ending in #0295 in violation of ORS  
8 696.301(3) as it incorporates ORS 696.241(5) (2019 Edition), which states, a principal real  
9 estate broker or licensed real estate property manager may not commingle any other funds  
10 with the trust funds held in a clients' trust account.

11 1.11 Linda Knuth (Knuth), bookkeeper for ORPM, provided a report showing the trust  
12 funds to be transferred from Homestead. A total of \$87,702.66 was paid to ORPM, \$29,615.13  
13 in owner funds, and \$58,087.53 in security deposits. The report indicates three negative  
14 owner ledger balances totaling \$1,030.40. Knuth confirmed the difference was corrected and  
15 paid by Homestead.

16 **(6) Violation:** It appears there were negative owner ledger balances when the property  
17 portfolio was transferred to Oregon Rental Property Management in violation of ORS  
18 696.301(3) as it incorporates OAR 863-025-0027(3) (01/01/2020 Edition), which states, a  
19 property manager may not disburse funds from a clients' trust account or security deposit  
20 account unless there are sufficient funds, as defined in OAR 863-025-0010, in the ledger  
21 account against which the disbursement is made.

22 1.12 Per Knuth and Velasco, from January 2021 through March 2021, rent payments  
23 continued to be deposited in the Homestead account. The December 2020 bank statements  
24 notes a \$900.00 deposit on the 31<sup>st</sup>, and the January 2021 bank statement notes a \$900  
25 deposit on the 29<sup>th</sup>. Knuth confirmed receiving a reimbursement for these rent payments from  
26 Leiner.

27 **(7) Violation:** After the property portfolio transferred to Oregon Rental Property  
28 Management, Homestead continued to collect rent, demonstrating incompetence and  
29 untrustworthiness in performing an act for which a real estate licensee is required to hold a  
30 license in violation of ORS 696.301(12) (2019 Edition).

1 1.13 A lease agreement between Juan Lopez and Homestead was signed and dated  
2 by Leiner on October 20, 2020, while Leiner's license was associated with the registered  
3 business name Richmond American Homes of Oregon.

4 **(8) Violation:** On October 20, 2020, Leiner prepared and signed a lease agreement for  
5 Juan Lopez under Homestead while Leiner's license was associated with Richmond American  
6 Homes of Oregon in violation of ORS 696.301(3) as it incorporates OAR 863-014-0095(7)  
7 (01/01/2020 Edition), which states, a principal broker may not engage in professional real  
8 estate activity under more than one registered business name unless the business entity is an  
9 affiliate or subsidiary organization.

10 1.14 All of the above demonstrates incompetence and untrustworthiness in performing  
11 acts for which Leiner is required to hold a license. Leiner engaged in conduct below the  
12 standard of care for the practice of professional real estate activity.

13 **(9) Violation:** ORS 696.301 (12) and (15) (2019 Edition), which states a licensee's real  
14 estate license may be disciplined if they have: (12) demonstrated incompetence or  
15 untrustworthiness in performing any act for which the licensee is required to hold a license.  
16 (15) engaged in any conduct that is below the standard of care for the practice of professional  
17 real estate activity in Oregon as established by the community of individuals engaged in the  
18 practice of professional real estate activity in Oregon.

19 1.15 Leiner stated he currently has no interest in getting back into property  
20 management activity.

21  
22 2.

23 2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.  
24 Based on these violations, a reprimand is appropriate for violations of ORS 696.301(3), (12),  
25 and (15).

26 2.2 The Agency reserves the right to investigate and pursue additional complaints  
27 that may be received in the future regarding this licensee.

28 2.3 In establishing the violations alleged above, the Agency may rely on one or more  
29 of the definitions contained in ORS 696.010.

30 2.4 According to ORS 696.775, the lapsing, expiration, revocation or suspension of a

1 real estate license, whether by operation of law, order of the Real Estate Commissioner or  
2 decision of a court of law, or the inactive status of the license, or voluntary surrender of the  
3 license by the real estate licensee does not deprive the commissioner of jurisdiction to: (1)  
4 proceed with an investigation of the licensee; (2) conduct disciplinary proceedings relating to  
5 the licensee; (3) Take action against a licensee, including assessment of a civil penalty against  
6 the licensee for a violation of ORS 696.020(2); or (4) revise or render null and void an order  
7 suspending or revoking a license.

8  
9 **STIPULATION & WAIVER**

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

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

25 I agree once the Commissioner executes this stipulated order, I will accept service of  
26 the final order by email, and hereby waive the right to challenge the validity of service.

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ORDER

IT IS HEREBY ORDERED that Jason Scott Leiner's principal broker license be, and hereby is reprimanded.

IT IS SO STIPULATED:

IT IS SO ORDERED:

DocuSigned by:  
*Jason Leiner*  
B4179287726D49A...  
JASON SCOTT LEINER

DocuSigned by:  
*Steven Strode*  
D141D267DDE14A0...  
STEVEN STRODE



Date 5/21/2021 | 10:21 AM PDT

Date 5/21/2021 | 10:59 AM PDT

Date of Service: 05/21/2021