

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Unlicensed Professional
Real Estate Activity of
JAMES MARTIN PAULSON

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and James Martin Paulson (Paulson) do hereby agree and stipulate to the following:

FINDINGS OF FACT
&
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Paulson was not licensed to conduct professional real estate activity in Oregon.

1.2 On June 11, 2020, the Agency received a complaint from Anthony Mark Forhan against Paulson. The Agency opened an investigation.

1.3 On September 9, 2011, Paulson completed an application for a property manager license. Included with the application was a transcript from Portland Community College showing completion of property management classes. The application was received by the Agency on September 14, 2011.

1.4 Paulson passed his property management exam on October 21, 2011.

1.5 Comments in the Agency licensing system from November 15, 2011, notes an association form was received by fax but was incomplete. The notes indicate he was called by Agency staff and would be sending in a registered business name form.

1.6 Paulson's license has never been active, and it was never associated with a registered business name.

1.7 Paulson was unaware did not have an active license. He thought once he passed

1 the test he had a license and was allowed to do property management activity.

2 1.8 Franklin Court Apartments (FCA) consists of 4 buildings located at 5004, 5112,
3 5120 and 5132 SE Clinton St Portland, OR. Each building had 5 rental units. FCA was owned
4 by a family trust, D3&G Properties LLC (D3&G). The four member/owners of the Trust were
5 Dirk DeVries (DeVries), Dirk Bouma, Darlene Bouma, and Julianne Thorson.

6 1.9 Gloria Gee, had been a major shareholder in the trust prior to passing away in
7 April 2020. Initially, Gee performed the property management work until becoming ill and the
8 decision was made to hire a property manager.

9 1.10 According to DeVries, Paulson and Gee made a verbal agreement as to what
10 Paulson would be paid for his property management services. Paulson's main job was to keep
11 all apartments rented. Paulson would find and screen tenants, negotiate and sign rental/lease
12 agreements, and prepare and process paperwork. According to DeVries, Paulson would
13 collect any deposits charged and first month's rent from new tenants and keep it as his fee.
14 Other monthly rents were collected by DeVries.

15 1.11 Paulson started managing the FCA sometime in the fall of 2019 through April
16 2021.

17 1.12 An engagement agreement and property management agreement was provided
18 by DeVries shows Paulson's company JMPDX LLC at the top of the agreement. The
19 engagement agreement is between JMPDX LLC and D3&G and the location shows the 4
20 different addresses for FCA. The engagement agreement shows 20 unit and has a pricing
21 schedule and is signed by Gee, but not Paulson. The property management agreement is not
22 completed and mostly blank and unsigned by Paulson and property owner.

23 1.13 Three rental lease agreements for 5104 Unit D for Conner O'Daniel, 5132 Unit E
24 Sarah Beckman and 5120 Unit C Thomas Vidosh are all signed and prepared by Paulson
25 during the time he managed the FCA.

26 **(1) Violation:** Paulson negotiated, prepared, and signed a rental agreement with Sarah
27 Beckman for 5132 SE Clinton St, Unit E, Portland OR, 97206. Paulson conducted professional
28 real estate activity as defined by ORS 696.010(17)(h), which includes the management of
29 rental real estate defined by ORS 696.010(14) (Edition 2019), without an active license, in
30 violation of ORS 696.020(2) (Edition 2019). ORS 696.020(2) states an individual may not

1 engage in, carry on, advertise or purport to engage in or carry on professional real estate
2 activity, or act in the capacity of a real estate licensee, within this state unless the individual
3 holds an active license as provided for in this chapter.

4 **(2) Violation:** Paulson negotiated, prepared, and signed a rental agreement with Connor
5 O'Daniel for 5102 SE Clinton St, Unit D, Portland OR, 97206. Paulson conducted professional
6 real estate activity as defined by ORS 696.010(17)(h), which includes the management of
7 rental real estate defined by ORS 696.010(14) (Edition 2019), without an active license, in
8 violation of ORS 696.020(2) (Edition 2019). ORS 696.020(2) states an individual may not
9 engage in, carry on, advertise or purport to engage in or carry on professional real estate
10 activity, or act in the capacity of a real estate licensee, within this state unless the individual
11 holds an active license as provided for in this chapter.

12 **(3) Violation:** Paulson negotiated, prepared, and signed a rental agreement with Thomas
13 Vidosh for 5120 SE Clinton St, Unit C, Portland OR, 97206. Paulson conducted professional
14 real estate activity as defined by ORS 696.010(17)(h), which includes the management of
15 rental real estate defined by ORS 696.010(14) (Edition 2019), without an active license, in
16 violation of ORS 696.020(2) (Edition 2019). ORS 696.020(2) states an individual may not
17 engage in, carry on, advertise or purport to engage in or carry on professional real estate
18 activity, or act in the capacity of a real estate licensee, within this state unless the individual
19 holds an active license as provided for in this chapter.

20 1.14 On June 23, 2020, a review of Zillow.com was done and a page for Paulson was
21 discovered. The Zillow page showed Paulson's specialties were property management and
22 landlord. The page also showed a property management license number which corresponds
23 with Paulson's credential number in the Agency licensing system.

24 **(4) Violation:** By advertising property management services and Paulson's property
25 management company as well as listing a license number on Zillow.com, Paulson engaged in
26 professional real estate activity without an active license, in violation of ORS 696.020(2)
27 (Edition 2019), which states (2) An individual may not engage in, carry on, advertise or purport
28 to engage in or carry on professional real estate activity, or act in the capacity of a real estate
29 licensee, within this state unless the individual holds an active license as provided for in this
30 chapter.

2.

According to ORS 696.775, the lapsing, expiration, revocation or suspension of a real estate license, whether by operation of law, order of the Real Estate Commissioner or decision of a court of law, or the inactive status of the license, or voluntary surrender of the license by the real estate licensee does not deprive the commissioner of jurisdiction to: (1) proceed with an investigation of the licensee; (2) conduct disciplinary proceedings relating to the licensee; (3) Take action against a licensee, including assessment of a civil penalty against the licensee for a violation of ORS 696.020(2); or (4) revise or render null and void an order suspending or revoking a license.

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. I agree once the Commissioner executes this stipulated order, I will accept service of 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, pursuant to ORS 696.990 and based upon the violation set forth above, Paulson pay a civil penalty in the sum of \$1,600.00, said penalty to be paid to the General Fund of the State Treasury by paying the same to the Agency.

IT IS SO STIPULATED:

IT IS SO ORDERED:



DocuSigned by:
James Paulson
1FC619FC2843444...
JAMES MARTIN PAULSON

DocuSigned by:
Steven Strode
D141D267DDE14A0...
STEVEN STRODE

Date 8/19/2021 | 4:22 PM EDT

Date 9/1/2021 | 7:54 AM PDT

Date of Service: 09/01/2021