

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of)
VALERIE LYNN WHITE) STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Valerie White (White) do hereby agree and stipulate to the following:

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 White was licensed as a property manager and doing business under the registered business name of Encompass Property Management (EMC). The Agency issued a Final Order by Default against White and suspended her property manager license on August 28, 2023, for failure to comply with the Agency’s records requests resulting from six complaints involving professional real estate activity, received between April 27, 2023, and June 14, 2023. The Final Order by Default stated that the suspension is indefinite and will continue for a minimum of two weeks or until White fully complies with the Agency’s record requests. White failed to fully comply with Agency requests and her license has remained suspended while the Agency conducted its investigations.

Chien Chien Hsueh Complaint

1.2 On May 22, 2023, the Agency received a complaint from property owner Chien Chien Hsueh (Hsueh) against White. The Agency opened an investigation.

1.3 Hsueh owns two properties that were managed by White and EMC, one on Kingsgate Road (Kingsgate Rd. property) and the other on McNary Parkway (McNary Pkwy property), located in Lake Oswego, Oregon.

1 1.4 In her complaint, Hsueh alleged that EMC did not disburse April 2023 rent and
2 monthly disbursements for the previous three months had been late.

3 1.5 According to the property management agreement (PMA) for the Kingsgate Rd.
4 property, section 7 Payments: “On or before the 15th day of each month, Manager shall remit
5 to Owner the amount by which Property Revenues for the prior month exceed: 1) Property
6 Expenses for the prior month plus 2) adequate reserves for anticipated Property Expenses,
7 including the amount of debt service payment on the Property if due from the operating trust
8 account prior to the 25th day of the next month.”

9 1.6 White failed to disburse owner payments to Hsueh according to terms of the
10 PMA.

11 **(1) Conclusion of Law:** By failing to follow terms of the PMAs, for property owner Hsueh,
12 including disbursing funds to the owner when due, White violated ORS 696.301(3) as it
13 incorporates ORS 696.890(3) 2023 Edition. In addition, White violated ORS 696.301(3) as it
14 incorporates ORS 696.301(12) 2023 Edition.

15 1.7 The Agency subpoenaed bank records from US Bank that showed an Oregon
16 State Credit Union (OSCU) account for the McNary Pkwy property. The Agency does not have
17 a record of a clients’ trust account (CTA) maintained for the Kingsgate Rd. Property.

18 **(2) Conclusion of Law:** By failing to notify the Agency of a CTA for property owner Hsueh,
19 and the Kingsgate Rd. property, White violated ORS 696.301(3) as it incorporates ORS
20 696.245(1)(2) 2015, 2016, 2017, 2019, 2021, and 2023 Editions. In addition, White violated
21 ORS 696.301(3) and its implementing rule OAR 863-025-0025(3) 1/1/2018, 1/1/2021,
22 1/1/2022, and 1/1/2023 Editions. These actions are Grounds for Discipline under ORS
23 696.301(14) 2015, 2016, 2017, 2019, 2021, and 2023 Editions.

24 1.8 According to the PMA’s for both the Kingsgate Rd. property and the McNary
25 Pkwy. property, either party may terminate the agreement with 60 days written notice without
26 cause.

27 1.9 Unobligated funds would be returned to the Owner within 60 days of termination,
28 and a final accounting and obligated funds would be returned no later than 90 days after
29 termination.

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1 1.10 According to Hsueh's consolidated Owner Statement, generated by EMC, with
2 an end date of May 30, 2023, showed an ending cash balance of \$6,536.52. After unpaid bills
3 and property reserves, the balance due to owner showed as \$1,172.00.

4 1.11 On October 13, 2023, Agency Investigator Aaron Grimes (Grimes) spoke with
5 Hsueh on the telephone. Grimes asked Hsueh about funds that were still owed to her from
6 White. Hsueh told Grimes that nothing has been paid and she had filed a claim in small claims
7 court against EMC.

8 1.12 Hsueh provided the Agency with a copy of the judgement she obtained against
9 EMC, in the amount of \$6,544.00, of which \$152.00 were legal fees. Hsueh informed the
10 Agency that she received \$3,317.00 from EMC as identified as a final owner payment on
11 October 25, 2023.

12 **(3) Conclusion of Law:** By failing to disburse funds upon termination of the PMA within 60-
13 days, White violated ORS 696.301(3) and its implementing rule OAR 863-025-0070(2)(a)(b)(A)
14 (B)(C)(D)(E) 1/1/2023 Edition.

15 **(4) Conclusion of Law:** By failing to report judgements entered against her to the Agency,
16 as required, White violated ORS 696.301(3) and its implementing rule OAR 863-015-
17 0175(1)(b)(c)(3)(4) 1/1/2023 Edition.

18 1.13 On September 29, 2023, Grimes emailed White's attorney David Cramer
19 (Cramer) requesting White provide the annual owners statement, final accounting, and Notice
20 of Clients' Trust Account form for several property owners, including Hsueh, to be provided to
21 the Agency.

22 1.14 On October 6, 2023, the Agency received an email from Cramer, who wrote that
23 Hsueh had been "Fully paid and account closed."

24 1.15 The Agency did not receive the Notice of Clients' Trust Account or final
25 accounting for Hsueh to support that she had been paid funds that were due to the owner.

26 **(5) Conclusion of Law:** By failing to provide complete property management records upon
27 request by the Agency, White violated ORS 696.301(3) and its implementing rule OAR 863-
28 025-0035(2)(a)(b)(c) 1/1/2023 Edition. White is subject to civil penalty under ORS
29 696.990(4)(a)(b) 2023 Edition.

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1 **Mark Mazzuca Complaint**

2 1.16 On June 13, 2023, the Agency received a complaint from property owner Mark
3 Mazzuca (Mazzuca) against White. The Agency opened an additional investigation.

4 1.17 Mazzuca owns two properties managed by EMC, identified as Deerwind property
5 and West Way property, located in Salem, Oregon. In his complaint to the Agency, Mazzuca
6 stated that EMC last paid him on March 29, 2023.

7 1.18 The Agency received the owner ledger statement for the period of January 1
8 through May 31, 2023, for the West Way property. According to the owner's statement,
9 Mazzuca was not paid at any time between those dates.

10 1.19 The owner's statement shows White disbursed to EMC monthly management
11 fees between the above-mentioned dates.

12 1.20 On July 14, 2023, Agency Case Resolution Coordinator Amanda Moser (Moser)
13 emailed Mazzuca and asked if he had received any payments from EMC since March 29,
14 2023, and if he had received final accounting for his funds.

15 1.21 Mazzuca responded to Moser and wrote that he had not received payments.
16 Mazzuca attached two owners' statements for May 2023, and stated they were the last
17 statements he had received.

18 1.22 The June 2023 bank statement for the Deerwind property client trust account
19 ending in -1600 (CTA #1600) shows a "Withdrawal Check" on June 15, 2023, in the amount of
20 \$7,236.05.

21 1.23 Mazzuca confirmed to Grimes that he did not receive any funds since March
22 2023.

23 **(6) Conclusion of Law:** By failing to follow terms of the PMA for property owner Mazzuca,
24 including disbursing funds to the owner when due, White violated ORS 696.301(3) as it
25 incorporates ORS 696.890(3) 2023 Edition. In addition, White violated ORS 696.301(3) as it
26 incorporates ORS 696.301(12) 2023 Edition.

27 1.24 CTAs disclosed to the Agency and open for inspection included two accounts
28 with the Deerwind property included in the name of the accounts.

29 1.25 The Agency does not have a record of a CTA registered for the West Way
30 property and does not have a record of an authorization for inspection of the CTA.

1 **(7) Conclusion of Law:** By failing to notify the Agency of a CTA for property owner
2 Mazzuca, and the West Way property, White violated ORS 696.301(3) as it incorporates ORS
3 696.245(1)(2) 2017, 2019, 2021, 2023 Editions. In addition, White violated ORS 696.301(3)
4 and its implementing rule OAR 863-025-0025(3) 1/1/20218, 1/1/2020, 1/1/2021, 1/1/022,
5 1/1/2023 Editions. These actions are Grounds for Discipline under ORS 696.301(14) 2017,
6 2019, 2021, and 2023 Editions.

7 1.26 On June 29, 2023, White sent a notice to owners that she was closing EMC.
8 White stated this was the 60-day termination notice on their PMA. White stated EMC would
9 work with any management company they chose to take over property management during the
10 transition.

11 1.27 According to the PMA for the West Way property, unobligated funds would be
12 returned to the owner within 60-days of termination, and a final accounting and obligated funds
13 would be returned no later than 90-days after termination of PMA.

14 **(8) Conclusion of Law:** By failing to disburse funds upon termination of the PMA within 60-
15 days, White violated ORS 696.301(3) and its implementing rule OAR 863-025-
16 0070(2)(a)(b)(A)(B)(C)(D) 1/1/2023 Edition.

17 1.28 Records obtained through Marion County Circuit Court show for case
18 23CV08321, EMC and White failed to answer, and an order of default was entered on May 5,
19 2023. On May 26, 2023, a plaintiff's amended motion for entry of default general judgment and
20 money award was filed in Marion County Circuit Court. White failed to report the judgement to
21 the Agency.

22 **(9) Conclusion of Law:** By failing to report judgements entered against her to the Agency,
23 as required, White violated ORS 696.301(3) and its implementing rule OAR 863-015-
24 0175(1)(b)(c)(3)(4) 1/1/2023 Edition.

25 1.29 Bank statements obtained from US Bank for the West Way property CTA, show
26 multiple occurrences in which owner's ledger and bank statement did not reconcile, and
27 occurrences in which the account balance was negative.

28 **(10) Conclusion of Law:** By disbursing funds from the West Way CTA when the account
29 carried a negative balance, as well as having a discrepancy between the owner's ledger
30 balance and the bank statement balance, White violated ORS 696.301(3) and its implementing

1 rule OAR 863-025-0040(7) 1/1/2022 Edition. In addition, White violated ORS 696.301(3) and
2 its implementing rule OAR 863-025-0027(3) 1/1/2023 Edition.

3 1.30 On August 21, 2023, Grimes emailed Cramer and requested that White provide
4 the Agency with the PMA, annual owner statements, and bank statements for both the
5 Deerwind and West Way properties.

6 1.31 The Agency did not receive the PMA or the 2023 owner's statement for the
7 Deerwind property.

8 **(11) Conclusion of Law:** By failing to provide property management records upon request
9 by the Agency, White violated ORS 696.301(3) and its implementing rule OAR 863-025-
10 0035(2)(a)(b)(c) 1/1/2023 Edition. White is subject to civil penalty under ORS 696.990(4)(a)(b)
11 2023 Edition.

12 **Pamela Plotkin and Robert Flashman Complaint**

13 1.32 On July 13, 2023, the Agency received a complaint from Attorney Kevin Shuba
14 on behalf of his clients Pamela Plotkin (Plotkin) and Robert Flashman (Flashman), against
15 White. The Agency opened an additional investigation.

16 1.33 Plotkin and Flashman own multifamily rental real estate previously managed by
17 White. In the complaint, Shuba wrote that White was terminated as property manager in July
18 2023 for failing to provide property reports and misrepresenting property tax statements.
19 Shuba stated White was mismanaging funds in their client's trust account, misrepresenting
20 what was on financial statements, and managing the property without a written PMA.

21 1.34 On August 10, 2023, Shuba provided documentation to the Agency, including
22 bank statements and owner ledgers his clients were provided by White.

23 1.35 The Agency subpoenaed bank statements from First Interstate Bank, including
24 the CTA ending in -5461 (CTA #5461).

25 1.36 CTA #5461 was not registered with the Agency.

26 **(12) Conclusion of Law:** By failing to notify the Agency of CTAs and failing to authorize all
27 bank accounts associated with property owners Plotkin and Flashman for inspection by the
28 Agency, White violated ORS 696.301(3) as it incorporates ORS 696.245(2) 2013, 2015, 2017,
29 2021, and 2023 Editions. In addition, White violated ORS 696.301(3) and its implementing rule
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1 OAR 863-025-0025(3) 1/1/2018, 1/1/2020, 1/1/2021, and 1/1/2023 Editions. These actions are
2 Grounds for Discipline under ORS 696.301(14) 2013, 2015, 2017, 2021, and 2023 Editions.

3 1.37 Bank statement balances for CTA #5461 and corresponding owner ledgers
4 received by Shuba, compared to the bank statements subpoenaed by the Agency and owner
5 ledgers received from White during the investigation, do not reconcile.

6 1.38 The bank statements provided by White to Plotkin and Flashman showed a
7 significantly higher balance of funds maintained for the owners than the bank statements
8 subpoenaed by the Agency. These facts show that White submitted altered bank statements to
9 Plotkin and Flashman.

10 **(13) Conclusion of Law:** By providing property owners Plotkin and Flashman bank
11 statements from First Interstate Bank for CTA #5461 that did not report the actual balance of
12 the owner funds maintained on their behalf, White violated ORS 696.301(3) as it incorporates
13 ORS 696.301(1)(12)(14) 2021 and 2023 Editions.

14 1.39 A review of the subpoenaed records for CTA #5461 for the period June 2021
15 through September 2023, shows numerous insufficient balances and overdraft fees.

16 **(14) Conclusion of Law:** By causing the balance for CTA #5461 to become insufficient and
17 accruing overdraft fees, White violated ORS 696.301(3) and its implementing rule OAR 863-
18 025-0027(3) 1/1/2021, 1/1/2022, and 1/1/2023 Editions. These actions are Grounds for
19 Discipline under ORS 696.301(14) 2021 and 2023 Editions.

20 1.40 The owner ledger statements, provided by White to the Agency, did not show the
21 receipt and disbursement activity, as was reflected in the subpoenaed bank statements. These
22 facts show that White did not report all funds received and disbursed for Plotkin and Flashman.

23 **(15) Conclusion of Law:** By failing to show the factual receipts and disbursements for CTA
24 #5461 in the owner ledger, White violated ORS 696.301(3) and its implementing rule OAR
25 863-025-0055(3)(b)(A)(B)(C)(D)(c)(A)(B)(C)(D)(E)(d)(4) 1/1/2022 and 1/1/2023 Editions. These
26 actions are Grounds for Discipline under ORS 696.301(14) 2021 and 2023 Editions.

27 1.41 Agency review of bank statements from US Bank and First Interstate Bank show
28 White commingled funds of the licensee's funds with CTA funds.

29 **(16) Conclusion of Law:** By transferring funds into CTA #5461 from EMC's operating
30 account #6269, White violated ORS 696.301(3) as it incorporates ORS 696.241(5) 2021 and

1 2023 Editions. In addition, White violated ORS 696.301(3) and its implementing rule OAR 863-
2 025-0025(5)(a) 1/1/2022, 1/1/2023 Editions, ORS 696.301(3) and its implementing rule OAR
3 863-025-0065(6) 1/1/2022, 1/1/2023 Editions. These actions are Grounds for Discipline under
4 ORS 696.301(14) 2021 and 2023 Editions.

5 1.42 On June 29, 2023, White sent an email to Plotkin and stated she was closing
6 EMC. In the email, White stated this was the 60-day termination notice on their PMA. White
7 stated EMC would work with any management company they chose to take over property
8 management during the transition.

9 1.43 On September 29, 2023, Grimes emailed Cramer requesting White provide the
10 annual owners statement, final accounting, and Notice of Clients' Trust Account form be
11 provided to the Agency.

12 1.44 The Agency did not receive final accounting or proof that Plotkin and Flashman's
13 funds, and tenant security deposits funds, were transferred to their new property manager. In
14 addition, the Agency did not receive the Notice of Clients' Trust Account for Plotkin.

15 **(17) Conclusion of Law:** By failing to disburse funds upon termination of the PMA, White
16 violated ORS 696.301(3) and its implementing rule OAR 863-025-0070(2)(a)(b)(A)(B)(C)(D)(E)
17 1/1/2023 Edition.

18 **(18) Conclusion of Law:** By failing to provide complete property management records upon
19 request by the Agency, White violated ORS 696.301(3) and its implementing rule OAR 863-
20 025-0035(2)(a)(b)(c) 1/1/2023 Edition. White is subject to civil penalty under ORS
21 696.990(4)(a)(b) 2023 Edition.

22 **Steven Cowgill Complaint**

23 1.45 On August 22, 2023, the Agency received a complaint from property owners
24 Steven Cowgill (S. Cowgill) and Deborah Cowgill (D. Cowgill), against White. The Agency
25 opened an additional investigation.

26 1.46 Cowgill owns rental real estate located in Salem, Oregon, which was previously
27 managed by White. In his complaint, Cowgill stated that White was not making owner
28 distributions in a timely manner, and bills for their property were not being paid.

29 1.47 S. Cowgill and D. Cowgill wrote they terminated their PMA with EMC effective
30 June 12, 2023, and White took longer than the allowable 60-day period to return their funds.

1 1.48 Review of records revealed that the Agency did not have a record of a CTA or
2 CTA-SD for Cowgill or his property.

3 **(19) Conclusion of Law:** By failing to disburse funds upon termination of the PMA within 60-
4 days, White violated ORS 696.301(3) and its implementing rule OAR 863-025-
5 0070(2)(a)(b)(A)(B)(C)(D) 1/1/2023 Edition

6 **(20) Conclusion of Law:** By failing to notify the Agency of CTAs and failing to authorize all
7 bank accounts associated with property owner S. Cowgill for inspection by the Agency, White
8 violated ORS 696.301(3) as it incorporates ORS 696.245(1)(2) 2017, 2019, 2021, and 2023
9 Editions. In addition, White violated ORS 696.301(3) and its implementing rule OAR 863-025-
10 0025(3) 1/1/2018, 1/1/2020, 1/1/2021, 1/1/2022, and 1/1/2023 Editions. These actions are
11 Grounds for Discipline under ORS 696.301(14) 2017, 2019, 2021 and 2023 Editions.

12 1.49 On October 10, 2023, Grimes spoke with S. Cowgill on the phone. S. Cowgill told
13 Grimes that he received a past-due notice from the mortgage company on his property for the
14 month of June 2023.

15 1.50 S. Cowgill stated they gave notice to EMC they were terminating their agreement
16 with EMC effective immediately on 6/13/2023. EMC did not make the mortgage payment or let
17 them know that it had not been made.

18 1.51 The late payment notice from Washington Federal Bank, dated 6/25/2023, states
19 the past-due amount, and a late charge was assessed.

20 **(21) Conclusion of Law:** By failing to notify the property owner that the June 2023 mortgage
21 payment had not been paid, resulting in a late charge, White violated ORS 696.301(3) as it
22 incorporates ORS 696.301(1)(12)2023 Edition. These actions are Grounds for Discipline under
23 ORS 696.301(14) 2023 Editions.

24 1.52 On September 29, 2023, Grimes emailed Cramer requesting an annual owner
25 ledger statement along with proof of final disbursement of funds.

26 1.53 On October 6, 2023, Cramer emailed Grimes and stated that S. Cowgill has been
27 paid and the account was closed. Cramer did not provide a final accounting.

28 **(22) Conclusion of Law:** By failing to provide property management records upon request
29 by the Agency, White violated ORS 696.301(3) and its implementing rule OAR 863-025-
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1 0035(2)(a)(b)(c) 1/1/2023 Edition. White is subject to civil penalty under ORS 696.990(4)(a)(b)
2 2023 Edition.

3 **Ashley Hutchins Complaint**

4 1.54 On August 29, 2023, the Agency received a complaint from property owner
5 Ashely Hutchins (Hutchins) against White. The Agency opened an additional investigation.

6 1.55 Hutchins owns a property, identified as High Pass Rd. in Junction City, Oregon
7 that had previously been managed by White.

8 1.56 Grimes made repeated attempts to White for disclosure of CTAs opened and
9 maintained for Hutchins' funds. No documentation was provided to the Agency.

10 1.57 During a review of records for another open case, the Agency discovered an
11 Oregon State Credit Union account named "EMC028613 High Pass Rd Clients' Trust." This
12 account was maintained by White.

13 1.58 The Agency does not have a record of a CTA or a CTA-SD opened and
14 maintained by White for the High Pass Rd. property.

15 **(23) Conclusion of Law:** By failing to notify the Agency of the CTA for the High Pass Rd.
16 property, and for not authorizing the Agency to examine all bank accounts associated with the
17 property, White violated ORS 696.301(3) as it incorporates ORS 696.245(2) 2019, 2021, and
18 2023 Editions. In addition, White violated ORS 696.301(3) and its implementing rule OAR 863-
19 025-0025(3) 1/1/2018, 1/1/2020, 1/1/2021, 1/1/2022, and 1/1/2023 Editions. These actions are
20 Grounds for Discipline under ORS 696.301(14) 2019, 2021, and 2023 Editions.

21 1.59 On September 9, 2023, Grimes emailed Cramer requesting White provide the
22 annual owners statement, final accounting, and Notice of Clients' Trust Account form for
23 Hutchins, to be provided to the Agency.

24 1.60 The Agency did not receive the requested documentation for Hutchins.

25 **(24) Conclusion of Law:** By failing to provide property management records upon request
26 by the Agency, White violated ORS 696.301(3) and its implementing rule OAR 863-025-
27 0035(2)(a)(b)(c) 1/1/2023 Edition.

28 1.61 All of the above demonstrates a reasonable damage or injury to a person by
29 making one or more material representations or false promises in a matter related to
30 professional real estate activity.

1 Real Estate Commissioner. I further understand that, in accordance with the provisions of
2 ORS 696.445(3), notice of this Order shall be published in the Oregon Real Estate News
3 Journal.

4 In addition to all of the above, I agree that once the Commissioner executes this
5 Stipulated Final Order, I will accept service of the Stipulated Final Order by email, and hereby
6 waive the right to challenge the validity of service.

8 ORDER

9 IT IS HEREBY ORDERED that Valerie White's property manager license be, and
10 hereby is revoked.

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12
13 IT IS SO STIPULATED:

IT IS SO ORDERED:

14
15 DocuSigned by:
16 *Valerie White*
17 B3BFF07AAB0F4ED...
VALERIE LYNN WHITE

DocuSigned by:
Steve Strode
E2C2D0097AD8471...
STEVEN STRODE



18
19 Date 5/10/2024 | 7:34 AM PDT

Real Estate Commissioner
Date 5/10/2024 | 8:22 AM PDT

Date of Service: 5/10/2024