

REAL ESTATE AGENCY  
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of  
BRADLEY WADE HARTSOOK

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}  
}  
}  
}

STIPULATED FINAL ORDER

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

FINDINGS OF FACT  
AND  
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Hartsook was licensed as a property manager acting in the capacity of a sole practitioner and doing business under the registered business name of East Linn Property Management LLC (ELPM).

1.2 On September 6, 2023, ELPM was notified that clients' trust account ending in 0503 (CTA #0503), which holds owner funds, had been selected for reconciliation review. Documents for July 2023 were provided to the Agency. An investigation was opened due to the outstanding issues found in the review.

1.3 During the review, an Agency Compliance Specialist Jenifer Wetherbee (Wetherbee) noted one client trust account, ending in 1025 (CTA #1025) was not labeled correctly.

1.4 A review of the receipts and disbursements journal showed 'Bank Transfers' did not identify a payee or payer or the purpose of the funds.

1.5 A review of the bank statement showed a deposit on July 10, 2023, which was not recorded in the receipts and disbursements journal.

1.6 The bank statement also showed a disbursement on July 3, 2023, and a check that cleared on July 6, 2023, that were not recorded in the receipts and disbursements journal.

(1) **Conclusion of Law:** By failing to identify CTA #1025 using the correct naming convention, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0025(1)(a)(b) 1/1/2023 and 1/1/2024 Editions.

(2) **Conclusion of Law:** By failing to identify required information on the records of receipts and disbursements, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0040(2)(a)(C)(b)(A)(B)(C)(D) 1/1/2024 Edition.

1.7 A review of the Owner/Tenant Ledger submitted by Hartsook, showed an ending balance which included funds for two CTAs.

1.8 Nine ledgers reflected a negative balance, totaling -\$10,204.17.

1.9 Hartsook explained to the Agency that the negative balance was the result of challenges with a past employee using the management system.

(3) **Conclusion of Law:** By disbursing funds from a CTA, causing a negative balance in the owner ledgers, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(3) 1/1/2024 Edition.

1.10 Agency Investigator Frank Leonard Jr (Leonard) requested Hartsook provide the March 2024 reconciliation and supporting documents for CTA #0503.

1.11 A review of the Trust Account Reconciliation form showed CTA #0503 and CTA #1025 accounted for on the single reconciliation document.

1.12 The March 2024 Trust Account Reconciliation document was signed and dated on May 7, 2024.

(4) **Conclusion of Law:** By reconciling two separate client trust accounts using one reconciliation document, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(2)(a) 1/1/2024 Edition.

(5) **Conclusion of Law:** By failing to complete the March 2024 reconciliation within 30 days of the bank statement, including identifying outstanding checks, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(2)(a)(d)(A)(B) 1/1/2024 Edition.

1 1.13 A review of the AppFolio 'Reconciliation Report' provided by Hartsook showed  
2 \$24,188.53 in unreconciled checks and disbursements dating to January 1, 2021, that were  
3 not identified on Part I of the Trust Account Reconciliation document.

4 1.14 Two checks from November and December 2022 for property management fee  
5 disbursements to ELPM were included on the 'Reconciliation Report.'

6 1.15 Hartsook submitted reconciliation records for April 2024 for CTA #0503 and CTA  
7 #1025. A review of Part I of the Trust Account Reconciliation document for CTA #0503 showed  
8 checks for property management fees had not been posted.

9 **(6) Conclusion of Law:** By failing to disburse property management fees in the month they  
10 were earned. Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-  
11 0027(6) 1/1/2022 Edition.

12 1.16 During the Agency's compliance review, Wetherbee requested Hartsook provide  
13 the individual ledger for East Linn Corporate Property (ELCP). Hartsook wrote to the Agency  
14 that ELCP is not an owner, and explained that when he bought the business, the accounting  
15 and software were not correct. Hartsook further explained that AppFolio indicated the solution  
16 was to hold the monies in the ELCP account. Hartsook wrote that the money is not ELPM  
17 money, so they did not move it from the CTA.

18 1.17 In an interview with Leonard, when asked about the money in ELCP ledger,  
19 Hartsook explained "that overage of money that we found, there is no owner ledger we can  
20 find that it goes to. There is no past tenant we can find that it goes to. AppFolio put in in the  
21 [ELCP] account and we have no way of knowing who that money belongs to. There has been  
22 nobody that has stepped forward to us to say that we owe them money, or the previous  
23 company owes them money."

24 1.18 The April 2024 ledger for ELCP showed a negative balance of -\$27,407.56. A  
25 review of the ELCP ledger from previous months showed the ledger fluctuated from -\$900.90,  
26 to \$55,911.11, and then -\$9,034.84.

27 **(7) Conclusion of Law:** By maintaining a 'corporate ledger' designated as "East Linn  
28 Corporate Property" that acted as a reconciling ledger to hold unknown funds and transactions,  
29 Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(3)(b)  
30 1/1/2024 Edition.

**(8) Conclusion of Law:** By failing to maintain complete and adequate professional real estate records, Hartsook violated ORS 696.301(3) as it incorporates ORS 696.280(1) 2023 Edition.

1.19 All of the above demonstrates incompetence or untrustworthiness in performing acts for which the real estate licensee is required to hold a license and conduct that is below the standard of care for the practice of professional real estate activity in Oregon.

**(9) Conclusion of Law:** Based on the foregoing, Licensee is subject to discipline under ORS 696.301(12) and (15) (2021 and 2023 Edition)

## 2.

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, the Agency may rely on one or more of the definitions contained in ORS 696.010.

## 3.

### STIPULATION AND WAIVER

I, Bradley Hartsook, have read and reviewed this Stipulated Final Order and its Findings of Fact, Statements of Law and Conclusions of Law. I understand that the Findings of Fact, Conclusions of Law and this Stipulation and Waiver of Hearing rights 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. I also understand that any Hearing would be 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. By signing this Stipulated Final Order, 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, which I have also read and understand, may be completed and signed by the Real Estate Commissioner or may be rejected by the Real Estate Commissioner. I further 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.

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

#### ORDER

IT IS HEREBY ORDERED that Bradley Hartsook's property manager license be, and hereby is reprimanded.

IT IS FURTHER ORDERED that due to the violations addressed above, Bradley Hartsook will be subject to a future client's trust account reconciliation within 3 months of the issuance of this order.

IT IS SO STIPULATED:

Signed by:

Bradley Hartsook

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BRADLEY HARTSOOK

Date 6/2/2025 | 9:26 AM PDT

IT IS SO ORDERED:

Signed by:

Steve Strode

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STEVEN STRODE

Real Estate Commissioner

Date 6/2/2025 | 2:06 PM PDT

Date of Service: 6/2/25

