

REAL ESTATE AGENCY  
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

ANGELA ANN WATSON

## FINAL ORDER BY DEFAULT

## PROCEDURAL HISTORY AND PROCEDURAL LAW

1.

1.1 On June 12, 2025, the Real Estate Commissioner issued, by certified mail, a *Notice of Intent to Suspend License No. PM.201216951* the real estate property manager license of Angela Watson (Watson). The Oregon Real Estate Agency (Agency) sent the Notice of Intent to Watson's last known address of record with the Agency (626 Queen Ave SW, Albany, OR 97322). The *Notice of Intent* was also mailed to Watson by regular first-class mail to the above address in a handwritten envelope. And *The Notice of Intent* was emailed to Watson at her email address of record.

1.2 The email was not returned as undeliverable.

1.3 Neither the certified mailing nor the first-class mailing has been returned to the Agency. Over twenty days (20 days) have elapsed since the mailing of the notice issued in this matter and no written request for hearing has been received by the Agency.

2.

Based upon the foregoing, and upon the Agency's investigation reports, documents and files that, pursuant to Section 9 of the *Notice of Intent*, automatically become part of the evidentiary record of this disciplinary action upon default (for the purpose of proving a prima facie case (ORS 183.417(4))), the Real Estate Commissioner finds:

2.1 A notice of intent is properly served when deposited in the United States mail, registered or certified mail, and addressed to the real estate licensee at the licensee's last

known address of record with OREA. (ORS 183.415(2); OAR 137-003-0505; OAR 863-001-0006. If correctly addressed, such a notice is effective even though it is not received by the person to be notified. *Stroh v. SAIF*, 261 OR 117, 492 P2d 472 (1972) (footnote 3 in this case misquotes the cited treatise and contradicts the text of the opinion; treatise and cited case law support the proposition stated in the text.) Also, notice is effective even though the addressee fails or refuses to respond to a postal service “mail arrival notice” that indicates that certified or registered mail is being held at the post office. See *State v. DeMello*, 300 Or App 590, 716 P2d 732 (1986) (discussing use of certified mail to effectuate notice of driver’s license suspension under ORS 482.570). See also *El Rio Nilo, LLC v. OLCC*, 240 Or App 362, 246 P3d 508 (2011) (Notice by certified mail effective even though addressee did not pick up in time to file request for hearing timely). (Oregon Attorney General’s Administrative Law Manual and Uniform Model Rules Of Procedure Under the Administrative Procedures 2019 Edition at pages 97-98.

2.2 Watson’s last known address of record with the Agency was 626 Queen Ave SW, Albany, OR 97322.

2.3 A certified mailing of the *Notice of Intent* was mailed to Watson at her last known address of record on June 12, 2025. The certified mailing of the notice has not been returned to the Agency.

2.4 The notice was also mailed regular first-class mail in a handwritten envelope to the above address for Watson. The mailings in the handwritten envelope have not been returned to OREA. The OAH Rules contain a rebuttable presumption that documents sent by regular mail are received by the addressee. ORS 137-003-0520(10). If the regularly mailed notice is actually received, it is effective on the date received, rather than the date of mailing.

2.5 Over twenty (20) days have elapsed since the mailing of the notice and no written request for a hearing has been received.

2.6 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.

2.7 As noted in section 9 of the *Notice of Intent to Suspend License No. PM.201216951*, and section 2 above, the Agency's entire investigation file was designated as the record for purposes of presenting a prima facie case upon default, including submissions from Watson and all information in the administrative file relating to the mailing of notices and any responses received.

### **FINDINGS OF FACT**

#### 3.

3.1 At all times mentioned herein, Watson was licensed as a property manager with Watson Management Services LLC.

3.2 On January 25, 2025, Watson Management Services LLC was notified by the Agency that their client's trust account holding owner funds ending in 6173 (CTA #6173), was selected for a reconciliation review. Watson provided the Agency with November 2024 reconciliation records.

3.3 After reviewing the reconciliation records, Agency Compliance Specialist Jenifer Wetherbee (Wetherbee) emailed Watson on February 18, 2025, and requested additional records and information.

3.4 No response from Watson was received. Wetherbee followed up via email on February 26, 2025, and March 5, 2025. Wetherbee left a voicemail for Watson on March 7, 2025.

3.5 Watson responded on March 7, 2025, and notified Wetherbee that Agency emails had been going to her spam folder. Watson requested and was granted an extension to submit records by March 12, 2025.

3.6 On March 13, 2025, Watson sent an email to Wetherbee that records would be received by March 17, 2025.

3.7 Wetherbee followed up via email on March 21, 2025, as no records had been received. Watson responded to Wetherbee's questions, but did not provide a revised owner ledger, as requested.

3.8 The Agency received 13 complaints against Watson and opened separate investigations against Watson between March 10, 2025, and May 31, 2025.

3.9 The Agency received a complaint from property owner Sarah Sullivan (Sullivan) against Watson. Sullivan alleged they had not received payment from Watson for the month of March 2025. Sullivan further wrote that Watson had not returned phone calls or emails regarding the funds for at least 15 days.

3.10 In response to the complaint, Watson wrote that the late payment in March 2025 was due to a software issue out of their control, that has since been resolved. Watson included that the payment was transferred to Sullivan around March 27, 2025.

3.11 Agency Investigator Frank H. Leonard Jr. (Leonard) emailed Watson on April 18, 2025, and requested the following property management records for the property managed for Sullivan. Records were due by April 25, 2025:

- Property Management Agreement
- Owner Ledger from March 2025 through April 2025
- Tenant ledger for the previous 6 months November 2024 through April 2025
- Tenant Agreement
- Proof of payment for January, February, March, and April 2025
- Proof of payment software 'glitch' as Watson had stated she could provide the Agency with this information
- All written communication between Watson and owner for payment issues
- Delegation of Authority for Milissa Veilleux

3.12 Watson did not respond to Leonard's April 18, 2025, email and did not provide the requested records.

3.13 The Agency received a complaint from property owner Pamela Menzel (Menzel) against Watson. Menzel alleged that over the last several months rent deposits had been consistently late. Menzel alleged that they had not received rent for March 2025. Menzel

included that they received an email from Watson and were told that rent would be deposited the same day and was not.

3.14 In response to the complaint, Watson wrote that they were experiencing issues with ACH through the third-party software system, and checks were being deposited directly into owner accounts. Watson wrote that she has documentation from the software company stating it was an issue at their end.

3.15 Leonard emailed Watson on May 5, 2025, and requested the following property management records for the property managed for Menzel. Records were due by May 12, 2025:

- Property Management Agreement for two properties
- Owner ledger
- Final accounting for two properties
- Proof of rental payment for January and February 2025
- Written statement of explanation
- Proof of issue with software

3.16 Leonard called Watson on May 7, 2025, and left a voicemail requesting that she responds to the Agency. Watson neither responded to Leonard's May 5, 2025, email nor returned his phone call and did not provide the requested records.

3.17 The Agency received a complaint from property owner Linda Bao (Bao) against Watson. Bao alleged that Watson had not sent owners payment for the months of January, February and March 2025 related to three properties. Bao estimated that the funds owed before fees for the three properties totaled \$24,600.00.

3.18 In response to the complaint, Watson wrote that rent payment was delayed due to the repairs needed on the properties and waiting for owner approval to deduct from rent. Watson wrote that payments were mailed out, however payment was not received, therefore address verification was requested and payment would be made via ACH.

3.19 Leonard emailed Watson on May 12, 2025, and requested the following property management records for the properties managed for Bao. Records were due by May 13, 2025:

- Property Management Agreement
- Owner ledger from November 2024 through April 2025

- Tenant lease agreement for each property managed by the complainant
- Explanation for non-payment of funds for January, February, and March 2025

3.20 Watson did not respond to Leonard's May 12, 2025, email and did not provide the requested records.

3.21 The Agency received a complaint from property owner Megan Sun (Sun) against Watson. Sun alleged that they did not receive rent for March 2025. In addition, Sun alleged that they did not receive owner statements for January, February, and March 2025.

3.22 In response to the complaint, Watson wrote that with aggregate deposits or disbursements, the record needs to be broken down better. Watson wrote that they have made that change for the future as well as made a separate report that details individual transactions.

3.23 Leonard emailed Watson on May 13, 2025, and requested the following property management records for properties managed for Sun. Records due by May 14, 2025:

- Property Management Agreement
- Owner ledger from November 2024 through April 2025
- Tenant lease agreement for each property managed by complainant
- Explanation for late and non-payments
- AppFolio owner statement portal history report

3.24 Additionally, Leonard emailed Watson on May 13, 2025, and requested the following property management records regarding the Agency's reconciliation review. Records were due by May 16, 2025:

- CTA #6173 Reconciliation document, and supporting materials including bank statement, general ledger, and receipt and disbursements journal
- Explanation for why Watson answered on her renewal application that she did not manager for any owners or properties
- Explanation of how many door/units Watson manages
- Explanation of how much in security deposits Watson holds

3.25 Watson did not respond to either of Leonard's May 13, 2025, emails, and did not provide the requested records.

3.26 On May 21, 2025, Leonard left a voicemail with Watson on her phone number of record, requesting a response. No response was received from Watson.

3.27 Real estate licensees are required to maintain and produce records to the Agency. Watson's failure to produce records that she is required to maintain and provide to the Agency when requested demonstrates incompetence in Watson's performance of professional real estate activity.

**(1) Violation:** By failing to provide property management records as requested by the Agency, Watson violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(b)(c) 1/1/2025 Edition, which states: A property manager must produce records required under section (1) of this rule for inspection by the Agency as follows: (a) when the Agency makes a request for production of property management records, the property manager must provide such records within no less than five banking days; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to produce such records within the timelines state in subsection (a) or (b) of this section is a violation of ORS 696.301.

**(2) Violation:** The above violation is grounds for discipline under ORS 696.301(3) as it incorporates ORS 696.301(12)(15) 2023 Edition, which states a licensee's real estate license may be disciplined who has: (12) demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; and (15) engaged in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

#### **STATEMENT OF LAW APPLICABLE TO FINDINGS OF FACT**

##### **4.**

4.1 ORS 696.301(1) to (15) sets out the grounds of discipline for which the Real Estate Commissioner may suspend, revoke, reprimand or deny the issuance or renewal of a

license to an applicant. ORS 696.301(3), (12) and (15) provides that the Commissioner may suspend a licensee's real estate license if they have: (3) disregarded or violated any provision of ORS 659A.421, 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.890 or any rule of the Real Estate Agency; (12) have demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; (15) engaged in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

4.2 ORS 696.396(2)(c)(B). According to ORS 696.396(2)(c)(B) and (D) the Real Estate Commissioner may suspend a real estate license if material facts establish a violation of a ground of discipline under ORS 696.301 that: (B) exhibits incompetence in the performance of professional real estate activity.

4.3 OAR 863-027-0020(1) defines the goal of progressive discipline and OAR 863-027-0020(2) sets out all factors the Real Estate Commissioner will consider when determining the level of discipline for licensees.

4.4 ORS 696.280(1)(3)(4)(a)(b)(c)(d) and (5). According to ORS 696.280(1)(3)(4)(a)(b)(c)(d) and (5): (1) A licensed real estate property manager or principal real estate broker shall maintain within this state, except as provided in subsection (6) of this section, complete and adequate records of all professional real estate activity conducted by or through the licensed real estate property manager or principal real estate broker. The Real Estate Agency shall specify by rule the records required to establish complete and adequate records of a licensed real estate property manager's or principal real estate broker's professional real estate activity. The only documents the agency may require by rule a licensed real estate property manager or principal real estate broker to use or generate are documents that are otherwise required by law or are voluntarily generated in the course of conducting professional real estate activity; (3) Records maintained under this section must at all times be open for inspection by the Real Estate Commissioner or the commissioner's authorized representatives; (4) Except as provided in subsection (2) of this section, records under this section must be maintained by the real estate licensee for a period of not less than six years after the following date: (a) For the notice of clients' trust account and authorization to



examine under ORS 696.245, the date the account was closed; (b) For real estate transactions, the date a transaction closed or failed, whichever is later; (c) For management of rental real estate, the date on which the record expired, was superseded or terminated, or otherwise ceased to be in effect; and (d) For all other records, the date the record was created or received, whichever is later; (5) Records under this section may be maintained in any format that allows for inspection and copying by the commissioner or the commissioner's representatives, as prescribed by rule of the agency.

4.5 OAR 863-025-0035(2)(a)(b) and (c). OAR 863-025-0035(2)(a)(b) and (c) states: (2) A property manager must produce records required under section (1) of this rule for inspection by the Agency as follows: (a) When the Agency makes a request for production of property management records, the property manager must provide such records within no less than five banking days; (b) If the Agency has reasonable grounds to believe the funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) Failure to produce such records within the timelines stated in subsection (a) or (b) of this section is a violation of ORS 696.301

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

4.7 In accordance with 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.

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### **ULTIMATE FINDINGS OF FACT**

#### **5.**

5.1 Watson failed to provide property management records as requested by the Agency.

5.2 In summary, the facts above establish grounds to suspend Watson's property manager license.

### **CONCLUSIONS OF LAW**

#### **6.**

6.1 Pursuant to ORS 183.417(4) and OAR 137-003-0670 Watson is in default.

6.2 The material facts establish a violation of a ground for discipline, by preponderance of the evidence, under ORS 696.301 as set forth in the *Notice of Intent to Suspend License No. PM.201216951* and ORS 696.396(1),(2)(c)(B).

6.3 Based on these violations, the Agency may suspend Watson's property manager license.

6.4 Specifically, Watson is subject to discipline pursuant to ORS 696.301(3), (12) and (15) for (3) disregarding or violating any provision of ORS 659A.421, 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.890 or any rule of the Real Estate Agency; (12) demonstrating incompetence or untrustworthiness in performing any act for which the licensee is required to hold a license; and (15) engaging in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

6.5 A suspension of Watson's property manager license is appropriate for violations of ORS 696.301(3), (12) and (15).

6.6 A suspension of Watson's property manager license is appropriate under ORS 696.396(2)(c)(B). According to ORS 696.396(2)(c)(B) the Agency may suspend a real estate license if the material facts establish a violation of a ground of discipline under ORS 696.301 that (B) exhibits incompetence in the performance of professional real estate activity.

6.7 Based on the evidence in the record, the preponderance of the evidence supports the suspension of Watson's property manager license.

6.8 The Agency may therefore, suspend Watson's property manager license.

6.9 Pursuant to ORS 696.775 the expiration/lapsing of Watson's license does not prohibit the Commissioner from proceeding with this, or further action.

6.10 The specific violations are repeated here below:

(1) Violation: By failing to provide property management records as requested by the Agency, Watson violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(b)(c) 1/1/2025 Edition, which states: A property manager must produce records required under section (1) of this rule for inspection by the Agency as follows: (a) when the Agency makes a request for production of property management records, the property manager must provide such records within no less than five banking days; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to produce such records within the timelines state in subsection (a) or (b) of this section is a violation of ORS 696.301.

(2) Violation: The above violation is grounds for discipline under ORS 696.301(3) as it incorporates ORS 696.301(12)(15) 2023 Edition, which states a licensee's real estate license may be disciplined who has: (12) demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; and (15) engaged in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

6.11 Suspension of Watson's property manager license is appropriate under ORS 696.396(2)(c)(B).

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## ORDER

IT IS HEREBY ORDERED that pursuant to ORS 696.301 and based upon the violations set forth, Watson's property manager license is suspended. This suspension is indefinite and will continue for a minimum of 30 days or until Watson fully complies with the Agency's records requests. The Agency in its sole discretion will determine compliance with its records requests.

Dated this 8th day of July, 2025.

### OREGON REAL ESTATE AGENCY

Signed by:  
  
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Steven Strode  
Real Estate Commissioner

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NOTICE OF RIGHT TO APPEAL: You are entitled to judicial review of this Order. Judicial review may be obtained by filing a petition for review within 60 days from the date of service of this order. Judicial review is to the Oregon Court of Appeals, pursuant to the provisions of ORS 183.482.