

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of }
CALEB JASON CROTEAU } FINAL ORDER BY DEFAULT
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PROCEDURAL HISTORY AND PROCEDURAL LAW

1.

1.1 On November 13, 2025, the Real Estate Commissioner issued, by certified mail, a *Notice of Intent to Reprimand License No. B.201229591* the real estate broker license of Caleb Croteau (Croteau). The Oregon Real Estate Agency (Agency) sent the Notice of Intent to Croteau's last known address of record with the Agency (12404 SE Schiller St, Portland, OR 97236). The *Notice of Intent* was also mailed to Croteau by regular first-class mail to the above address in a handwritten envelope. And *The Notice of Intent* was emailed to Croteau at his email address of record.

1.2 The email was not returned as undeliverable.

1.3 The certified mailing was returned to the Agency and marked as Return to Sender, Unclaimed, Unable to Forward. The first-class mailing has not 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 Croteau's last known address of record with the Agency was 12404 SE Schiller St, Portland, OR 97236.

2.3 A certified mailing of the *Notice of Intent* was mailed to Croteau at his last known address of record on November 13, 2025. The certified mailing of the notice was returned to the Agency as Return to Sender, Unclaimed, Unable to Forward.

2.4 The notice was also mailed regular first-class mail in a handwritten envelope to the above address for Croteau. The mailing in the handwritten envelope has 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 Reprimand*, 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 Croteau 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, Croteau was licensed as a broker with Keller Williams Realty Portland Elite (Portland Elite).

3.2 On September 30, 2024, the Agency received a complaint from Kelly Ranstad (Ranstad) against Croteau. Ranstad, a principal broker, filed the complaint on behalf of licensed broker Jaclyn Pettigrew (Pettigrew).

3.3 In the complaint, Ranstad alleged that Croteau failed to fulfill broker obligations to the owner of a property, did not disclose his individual interest in the property as a wholesaler to prospective buyers, and did not disclose that he was the owner of the wholesaling entity. The Agency opened an investigation.

3.4 On May 3, 2024, Lawrence Longworth (Longworth) listed a property owned by his mother M. Longworth, located in Eugene, Oregon. The property was originally listed as For Sale By Owner. On or around May 7, 2024, Croteau contacted Longworth regarding his listing.

3.5 In an interview with Agency Investigator Megan Donovan (Donovan), Longworth explained that Croteau introduced himself as a member of "buyer's group" Sonic Equities, LLC which provided programs to facilitate buying, selling, renting, and leasing-to-own homes.

3.6 In an interview with Donovan, Croteau explained that Longworth declined Croteau's original offer to represent him as a broker, so he offered to purchase the property through Sonic Equities, LLC for an amount that he and Longworth agreed upon.

3.7 Croteau further explained he would then source an end buyer to “resell” the property, at which point his purchase interest would be assigned to the end buyer to complete the transaction.

3.8 A review of the Real Estate Sale Agreement and addendums between Sonic Equities, LLC and M. Longworth, showed Croteau would add “and/or assigns” in fields that named Sonic Equities, LLC as an involved party.

3.9 M. Longworth signed the Real Estate Sale Agreement with Sonic Equities, LLC on May 8, 2024.

3.10 Between May 10, 2024, and May 20, 2024, Croteau installed his real estate agent sign on the property and had a photographer visit the property for the listing photos.

3.11 On May 20, 2024, Croteau listed the property for sale through the Willamette Valley MLS. The list price was \$460,000.00. Croteau used his Portland Elite email account, and his signature included contact information specific to Portland Elite.

3.12 There were no public or private remarks or disclosures in the listing of Croteau’s personal interest in the transaction, and Croteau did not identify himself as the legal representative, or as the party in interest in a manner that would be publicly available.

3.13 On June 29, 2024, Pettigrew submitted an offer for the listed price on behalf of buyers Walter Taubenkrau and Madelyn Taubenkrau (the Taubenkraus). Pettigrew included Croteau as M. Longworth’s broker in the offer.

3.14 Communication records show that between June 30, 2024, and July 2, 2024, Croteau and Pettigrew negotiated the sale. Pettigrew wrote to Croteau that the Taubenkraus would withdraw from the transaction if they did not get a response by July 4, 2024, Croteau sent text messages to Pettigrew on July 4 and 5, 2024, informing her that the sellers were travelling, but that the documents would be forthcoming.

3.15 On July 8, 2024, Croteau emailed Pettigrew an “Assignee Instructions” document to reassign the transaction from Sonic Equities, LCC to the Taubenkraus, as well as a counteroffer addendum. The addendum reassigned purchase interest from Sonic Equities, LLC to the Taubenkraus. The addendum further stipulated a \$2,000.00 seller credit paid to Sonic Equities, LLC to be paid out of escrow, in addition to compensation for agent representation.

3.16 Records show that Pettigrew responded to Croteau that same day to inform him that the Taubenkraus were no longer interested in the property. Pettigrew cited delays as the primary reason for their withdrawal.

3.17 On July 9, 2024, the Taubenkraus texted Pettigrew to inform her that Croteau had called them three times.

3.18 In an interview with Donovan, Croteau confirmed he called the Taubenkraus, and explained his reason for the contact was "...to make sure that [the withdrawal] was accurate and there was no miscommunication...I was just trying to make sure everybody was on the same page."

3.19 On August 13, 2024, Amy Thompson (Thompson) submitted an offer for the property on behalf of her client Mark Hobbs (Hobbs). The offer reflected Croteau as the seller's agent representing M. Longworth.

3.20 After a verbal agreement between Hobbs and Longworth to reduce the sale price of the property, Longworth sent Croteau a text message on August 24, 2024, and requested that Croteau send an addendum for the sale price of \$445,000.00, for him to sign. Croteau wrote that they had "just agreed" on the sale price of \$448,000.00 and did not send an addendum for the reduced price. Thompson followed up with Croteau via email for the addendum to be sent to Longworth for signature.

3.21 Thompson drafted a second addendum based on the verbal agreement between Hobbs and Longworth. M. Longworth signed the addendum on August 25, 2024. The transaction closed on August 29, 2024.

3.22 In an interview with Donovan, Thompson explained that Croteau had not disclosed his interest in the property, and she found out about the wholesaling contract later in the transaction.

3.23 Croteau's principal broker at the time of the transaction Seiji Blume (Blume) explained to Donovan that their knowledge about the property and the transaction had been limited until they started receiving complaints.

3.24 Blume further explained that following the close of the transaction, Croteau had been paid a "Finder's Fee" that did not go through the brokerage.

3.25 Blume explained to Donovan that he had spoken with Croteau regarding his side of the transaction. Croteau explained to him that he was the LLC in charge of the wholesale agreement and was listed as the seller. Croteau would make a fee in addition to the commission that would run through the brokerage.

3.26 All of the above demonstrate 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.

STATEMENT OF LAW APPLICABLE TO FINDINGS OF FACT

4.

4.1 ORS 696.301(3) states a real estate licensee's real estate license may be disciplined if they have: ORS 696.301(3) which states a real estate licensee's real estate license may be disciplined 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

4.2 ORS 696.301(7) states a real estate license can be disciplined if they have intentionally interfered with the exclusive representation or exclusive brokerage relationship of another real estate licensee.

4.3 ORS 696.301(12) states a licensee's real estate license can be disciplined if they have demonstrated incompetence or untrustworthiness in performing any act for which the licensee is required to hold a license.

4.4 ORS 696.301(15) states a licensee's real estate license can be disciplined if they have 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.

4.5 ORS 696.290(2) states: (2) a real estate broker associated with a principal real estate broker may not accept compensation from any person other than the principal real estate broker may not accept compensation form any person other than the principal real estate broker with whom the real estate broker is associated at the time.

4.6 OAR 863-015-0145(2) states: (2) the disclosure set forth on the first written document of agreement also shall state that the real estate licensee is self-represented as either the buyer or the seller in the transaction.

4.7 OAR 863-015-0145(1)(a) states: (1) if a real estate broker or principal broker, whether active or inactive, either directly or indirectly offers or negotiates for the sale, exchange, lease option, or purchase or real estate within this state and the licensee is a principal to the transaction, the licensee shall disclose to the other party to the offer or transaction that the licensee is a real estate licensee; (a) on all advertising.

4.8 ORS 863-015-0125(2)(b) states: (2) advertising shall: (b) be truthful and not deceptive or misleading.

ULTIMATE FINDINGS OF FACT

5.

5.1 Croteau failed to identify and disclose himself as self-represented in an offer to purchase.

5.2 Croteau failed to disclose his interest in a transaction when advertising.

5.3 Croteau directly contacted buyers and circumvented the real estate licensee representing the buyers.

5.4 Croteau failed to inform his principal broker of a transaction where he was the principal.

5.5 Croteau received compensation from a person other than his principal broker.

5.6 In summary, the facts above establish grounds to reprimand Croteau's broker license.

CONCLUSIONS OF LAW

6.

6.1 Pursuant to ORS 183.417(4) and OAR 137-003-0670 Croteau 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 Reprimand License No. B.201229591*.

6.3 Based on these violations, the Agency may reprimand Croteau's broker license.

6.4 Specifically, Croteau is subject to discipline pursuant to ORS 696.301(3), (7), (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; (7) intentionally interfered with the exclusive representation or exclusive brokerage relationship of another real estate licensee; (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 reprimand of Croteau's broker license is appropriate for violations of ORS 696.301(3), (12) and (15).

6.6 Based on the evidence in the record, the preponderance of the evidence supports the reprimand of Croteau's broker license.

6.7 The Agency may therefore, reprimand Croteau's broker license.

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

6.9 The specific violations are repeated here below:

(1) Violation: By failing to identify and disclose himself as self-represented in an offer to purchase, Croteau violated ORS 696.301(3) and its implementing rule OAR 863-015-0145(2) 1/1/2024 Edition, which states: (2) the disclosure set forth on the first written document of agreement also shall state that the real estate licensee is self-represented as either the buyer or the seller in the transaction.

(2) Violation: By failing to disclose his interest in a transaction when advertising, Croteau violated ORS 696.301(3) and its implementing rule OAR 863-015-0145(1)(a) 1/1/2024 Edition, which states: (1) if a real estate broker or principal broker, whether active or inactive, either directly or indirectly offers or negotiates for the sale, exchange, lease option, or purchase of

real estate within this state and the licensee is a principal to the transaction, the licensee shall disclose to the other party to the offer or transaction that the licensee is a real estate licensee; (a) on all advertising.

This act is also a violation of ORS 696.301(3) and its implementing rule OAR 863-015-0125(2)(b) 1/1/2024 Edition, which states: (2) advertising shall; (b) be truthful and not deceptive or misleading.

(3) Violation: Croteau directly contacted the buyers of the subject property and knowingly circumvented the real estate licensee representing the buyers. This act is Grounds for Discipline under ORS 696.301(3) as it incorporates ORS 696.301(7) 2023 Edition, which provides that the Commissioner suspend, revoke, reprimand or deny the issuance or renewal of a license to an applicant who has: (7) intentionally interfered with the exclusive representation or exclusive brokerage relationship of another real estate licensee.

(4) Violation: By failing to inform his principal broker of a transaction where he was the principal, Croteau violated ORS 696.301(3) and its implementing rule OAR 863-015-0145(4) 1/1/2024 Edition, which states, if a real estate broker or principal broker, whether active or inactive, either directly or indirectly offers or negotiates for the sale, exchange, lease option, or purchase of real estate within this state and the licensee is a principal to the transaction, the licensee shall disclose to the other party to the offer or transaction that the licensee is a real estate licensee, and (4) each transaction described in section (1) of this rule of real estate broker associated with a principal broker and all documents and funds shall be transmitted through the licensee's principal broker.

(5) Violation: By receiving compensation from a person other than his principal broker, Croteau violated ORS 696.301(3) as it incorporates ORS 696.290(2) 2023 Edition, which states: (2) a real estate broker associated with a principal real estate broker may not accept compensation from any person other than the principal real estate broker with whom the real estate broker is associated at the time.

(6) Violation: The above violations are 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.

ORDER

IT IS HEREBY ORDERED that Caleb Croteau's broker license be reprimanded.

Dated this 13th day of January, 2026.

OREGON REAL ESTATE AGENCY

Signed by:

Steve Strode
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Steven Strode
Real Estate Commissioner

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.