

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

MICHELLE A. SCHONING

)

) Final ORDER By DEFAULT

)

)

)

PROCEDURAL HISTORY AND PROCEDURAL LAW

1.

1.1 On February 5, 2026, the Real Estate Commissioner issued, by certified mail, a *Notice of Intent to Revoke* the real estate principal broker license of Michelle Schoning (Schoning). The Oregon Real Estate Agency (Agency) sent the Notice of Intent to Schoning's last known address of record with the Agency (470 NW Buchanan Ave, Corvallis, OR 97330). The *Notice of Intent* was also mailed to Schoning by regular first-class mail to the above address in a handwritten envelope. And *The Notice of Intent* was emailed to Schoning at her email address of record.

1.2 Neither the certified mailings nor the first-class mailings were returned to 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 Schoning’s last known address of record with the Agency was 470 NW Buchanan Ave. Corvallis, OR 97330.

2.3 A certified mailing of the *Notice of Intent* was mailed to Schoning at her last known address of record on February 5, 2026. 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 Schoning. 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 received, it is effective on the date received, rather than the date of mailing.

2.5 On February 24, 2026, the Agency received a written hearing request from Schoning.

2.6 Agency records indicate Schoning changed the status of her principal broker’s license on July 30, 2026, to inactive.

2.7 On August 12, 2026, in a phone call with Agency staff, Regulation Division Senior Case Analyst Meghan Lewis (Lewis), Schoning stated she no longer wishes to engage in real estate activity and did not want the time and expense of a hearing. Schoning stated she was willing to stipulate revocation and requested the Agency send her a stipulated agreement for her review.

2.8 Schoning verified with Lewis her email address in Agency records as michelle.buyorsell@gmail.com.

2.9 On August 12, 2026, the Agency received Schoning's written hearing request withdrawal.

2.10 On August 14, 2026, Lewis sent electronically to Schoning, at michelle.buyorsell@gmail.com, a stipulated agreement for revocation.

2.11 On August 28 and September 3, 2026, Regulation Division Manager, Elli Kataura (Kataura), spoke with Schoning on the telephone. Kataura verified Schoning's email address. Per Schoning's request, Kataura emailed the stipulated agreement electronically to michelle.buyorsell@gmail.com for review and signature, via Box.com and regular email.

2.12 Schoning has failed to stipulate.

2.13 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.

2.14 As noted in section 9 of the *Notice of Intent to Revoke*, 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 Schoning and all information in the administrative file relating to the mailing of notices and any responses received.

2.15 Furthermore, the *Notice of Intent to Revoke* informed Schoning that, "If you fail to request a hearing within 20 days from the mailing date of the notice, withdraw a hearing request, notify the Agency or the Administrative Law Judge that you will not appear, or fail to appear at the time set for the hearing to commence on the first day of the scheduled hearing your right to a hearing shall be considered waived and the Agency may issue a final order by default and impose the above sanctions against you."

FINDINGS OF FACT

3.

3.1 Schoning was convicted of one count of Wire Fraud. This conviction is substantially related to her capacity to engage in professional real estate activity in Oregon.

3.2 Schoning failed to ensure the RBN provided to the Agency was complete and consistent with the business name registered with the Office of the Secretary of State.

3.3 Schoning failed to maintain an active registered business name.

3.4 Schoning applied for loans under registered business names that were no longer active with the Oregon Secretary of State. 3.5. In summary, the facts above establish grounds to revoke Schoning's principal broker license.

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(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.

4.3 All statutes and rules listed in the "Agency Proposed Action" and "Facts and Proposed Violations Citations" sections set forth above.

4.4 As discussed in the Agency Proposed Action section of this Notice, 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)(11)(12)(14) and (15) provides that the

Commissioner may revoke 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; (11) have been convicted of a felony or misdemeanor substantially related to the real estate licensee's trustworthiness or competence to engage in professional real estate activity; (12) demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; (14) committed an act of fraud or engaged in dishonest conduct substantially related to the fitness of the applicant or real estate licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity; 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.

4.5 ORS 696.396(2)(c)(B) and (C). According to ORS 696.396(2)(c)(B) and (C) the Real Estate Commissioner may revoke 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; and (C) Exhibits dishonesty or fraudulent conduct.

4.6 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.

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

4.8 And, 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.

ULTIMATE FINDINGS OF FACT

5.

5.1 Schoning was convicted of one count of Wire Fraud. This conviction is substantially related to her capacity to engage in professional real estate activity in Oregon.

5.2 Schoning failed to ensure the RBN provided to the Agency was complete and consistent with the business name registered with the Office of the Secretary of State.

5.3 Schoning failed to maintain an active registered business name

5.4 Schoning applied for loans under registered business names that were no longer active with the Oregon Secretary of State.

5.5 In summary, the facts above establish grounds to revoke Schoning's principal broker license.

CONCLUSIONS OF LAW

6.

6.1 Pursuant to ORS 183.417(4) and OAR 137-003-0670 Schoning 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 Revoke*. ORS 696.396(2)(c)(B) and (C).

6.3 Based on these violations, the Agency may revoke Schoning's principal broker license.

6.4 Specifically, Schoning is subject to discipline pursuant to ORS 696.301(3), (12), (14) 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 (14) committing an act of fraud or engaging in

dishonest conduct substantially related to the fitness of the applicant or real estate licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity.); 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 revocation of Schoning's principal broker license is appropriate for violations of ORS 696.301(3), (12), (14), and (15).

6.6 A revocation of Schoning's principal broker license is appropriate under ORS 696.396(2)(c)(B) and (C). According to ORS 696.396(2)(c)(B) and (C) 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 and exhibits dishonesty or fraudulent conduct.

6.7 Based on the evidence in the record, the preponderance of the evidence supports the revocation of Schoning's principal broker license.

6.8 The Agency may therefore revoke Schoning's principal broker license.

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

6.10 All statutes and rules listed in the "Agency Proposed Action" and "Facts and Proposed Violations Citations" sections set forth above.

6.11 As discussed in the Agency Proposed Action section of this Notice, 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)(11)(12)(14) and (15) provides that the Commissioner may revoke 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; (11) have been convicted of a felony or misdemeanor substantially related to the real estate licensee's trustworthiness or competence to engage in professional real estate activity; (12) demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; (14) committed an act of

fraud or engaged in dishonest conduct substantially related to the fitness of the applicant or real estate licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity; 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.

6.12 ORS 696.396(2)(c)(B) and (C). According to ORS 696.396(2)(c)(B) and (C) the Real Estate Commissioner may revoke 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; and (C) Exhibits dishonesty or fraudulent conduct.

6.13 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.

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

6.15 And, 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.

6.16 Revocation of Schoning's principal broker license is appropriate under ORS 696.396(2)(c)(B) and (C).

ORDER

IT IS HEREBY ORDERED that Michelle Schoning's principal broker's license is revoked.

Dated this 15th day of September 2026.

OREGON REAL ESTATE AGENCY

Steve Strobe
box SIGN 193X36Y6-46K9737J



Steven Strobe
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.