

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

DIANNE WILLIS

STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Willis was licensed as a principal broker with High Lakes Realty & Property Management (HLR).

1.2 On October 24, 2025, HLR was notified that clients' trust account ending in 5441 (CTA-SD #5441), which holds security deposits, had been selected for reconciliation review. Records for August 2025 were requested and received.

1.3 Willis's attorney Erika Wilson (Wilson) provided a letter to the Agency which included that Willis had discovered commingling and misuse of funds from the clients' trust account. Wilson also wrote that Willis had reimbursed CTA-SD #5411 in full, using her personal funds. In an interview with Agency Investigator Cidia Nañez (Nañez), Willis stated that Donald William Penselin, Jr. (Penselin), a broker and property manager with HLR, was the individual who misused the funds.

1.4 A review of the August 2025 'Bank Account Balance Breakdown' report for CTA-SD #5441, showed a negative balance of -\$45,617.03.

1.5 The line item in the report that had the negative balance had the name "Unspecified" in the owner's column. In the address or property column, the address listed was the physical address for HLR.

1.6 In an interview with Nañez, Willis explained that Penselin is her son. Willis said that Penselin told her about the missing funds approximately two months before the Agency's client's trust account review, and that Willis and Penselin had been talking about how to handle the situation. Due to Willis' health condition, dealing with stressful situations such as this have been difficult for her.

1.7 Willis further explained that she had been unable to make it to the office due to illness and had not been reviewing and signing off on monthly reconciliations. Willis states that during this time she had been in conversation with Penselin about HLR business matters.

1.8 In an interview with Nañez, Penselin said that he had created the "Unspecified" account two and half years ago when he first started misappropriating funds.

1.9 In her interview, Willis said she used her personal funds to reimburse CTA-SD #5441.

1.10 A review of the check register for CTA-SD #5441 showed a deposit made on October 30, 2025, in the amount of \$53,561.18.

1.11 Wilson informed the Agency that Willis would be closing HLR by February 28, 2026.

(1) Conclusion of Law: By failing to supervise an employee of HLR, which resulted in the theft of funds from a clients' trust account, Willis violated ORS 696.301(3) and its implementing rule OAR 863-015-0140(1)(3) 1/1/2025 Edition.

1.12 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.

(2) Conclusion of Law: Based on the foregoing, Willis is subject to discipline under ORS 696.301(12) and (15) 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, Dianne Willis, 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.

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1 ORDER

2 IT IS HEREBY ORDERED that Dianne Willis's principal broker license be revoked. This
3 order is interrelated with a Stipulated Order for Revocation for Donald William Penselin. This
4 revocation will be effective March 1, 2026, as licensees cease operations by February 28,
5 2026, for High Lakes Realty & Property Management in compliance with all applicable statutes
6 and rules.

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9 IT IS SO STIPULATED:

10 DocuSigned by:
11 
12 EDA13AB3941940C

13 DIANNE WILLIS

14

15 Date 1/29/2026 | 12:29 PM PST

16 IT IS SO ORDERED:

17 Signed by:
18 
19 E2C2D0097AD8471...

20 STEVEN STRODE

21 Real Estate Commissioner

22 Date 1/30/2026 | 10:39 AM PST



23 Date of Service: 1/30/2026

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