REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

DOROTHY E SACKETT

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (OREA) and Dorothy E (Dee) Sackett (Sackett) do hereby agree and stipulate to the following:

FINDINGS OF FACT &
CONCLUSIONS OF LAW

1. At all times mentioned herein, Sackett was licensed as a principal broker with G. Stiles Realty Inc.

2. On March 29, 2013 OREA received a letter from principal broker, Greg Johnson, reporting that Sackett, a broker under his supervision, had been charged with and admitted to committing fraud in the performance of her property management duties. The subsequent investigation found the following.

3. Two separate rental agreements for property located at 1040 Luellen Drive, Roseburg, OR, 97470 (Luellen Property) were submitted to OREA. One of the agreements was notated as “HADCO copy.” On this agreement the monthly rent due to owner was $600.00. The agreement was effective May 7, 2010 ending May 7, 2011 and had carried over on a month-to-month clause. The second rental agreement for Luellen Property was titled “Rental Agreement” and the rent due the owner was $800.00. The second agreement was a month-to-month agreement effective May 7, 2010. Both agreements were signed by Sackett, identified as “Owner/Agent” and Kayla Ramsey (Ramsey) identified as “Tenant.” Both agreements were dated May 4, 2010.
1.4 Additional documents identified “HADCO” as the Housing Authority of Douglas County. The following documents were submitted: a) Request for Tenancy Approval form (RTA), and b) Housing Assistance Payment Contract (HAP). Both the RTA and HAP indicate "U.S. Department of Housing and Urban Development, Office of Public and Indian Housing (HUD) in the top center of the forms.

1.5 The RTA submitted to OREA was accompanied by an income calculation worksheet for Ramsey. The words, “Rent and Utility Allowance May Not Exceed $770.00” were printed across the worksheet. The RTA form identified HADCO as the Public Housing Agency, the Luellen Property as the address of unit and the proposed rent as $600.00. The RTA form was signed by both Sackett and Ramsey and dated April 28, 2010.

1.6 The HAP contract identified Ramsey as the tenant, the contract unit as the Luellen Property and the initial lease term as May 7, 2010 ending May 7, 2011. The rent to owner was $600.00.

1.7 Jami Ambrosini (Ambrosini), the Section 8 Director for HADCO, stated in a letter addressed to Sackett dated March 7, 2013, when Sackett created two separate leases, one for $600.00 given to HADCO, and the other for $800.00 given to the property owner in order to pay the property owner an additional $200.00 per month, Sackett created fraud with the Section 8 Voucher program.

1.8 Along with the March 7, 2013 letter Sackett was sent a Housing Assistance Payment Register for Ramsey dated May 19, 2010 to March 7, 2013 showing HAP payments from HADCO which totaled $13,868.34. The letter stated this money was owed back to HADCO. Sackett did make payment in full to HADCO for the $13,868.34.

1.9 Sackett disclosed that she had wanted to help her granddaughter, Ramsey, get better housing and knew her granddaughter could not afford $800.00 per month which was what the property owner wanted for his property. She thought the $600.00 lease to HADCO met HADCO requirements and she would make up the $200.00 difference to the property owner as a gift on behalf of Ramsey.

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1.10 The HAP contract Sackett signed specifically contained the following provision on page four, 8(d): "Except for rent to owner, the owner has not received and will not receive any payments or other consideration (from the family, the PHA, HUD, or any other public or private source) for the rental of the contract unit during the HAP contract term." The HAP contract was signed by Ambrosini as the Section 8 Director for HADCO. The owner was identified as G. Stiles Realty and was signed by Sackett as the principal broker/property manager.

Violation: By creating two separate rental agreements for the property located at 1040 Luellen Drive, Roseburg, OR, 97970, one for $600.00 on behalf of the Housing Authority of Douglas County in accordance with the voucher program guidelines, and one for $800.00 on behalf of the property owner, not in accordance with the voucher program guidelines, Sackett demonstrated incompetence or untrustworthiness in performing an act for which the licensee is required to hold a license, in violation of ORS 696.301(12) 2009 Edition. Sackett also violated ORS 696.301(14) 2009 Edition, by committing an act of fraud or engaging in dishonest conduct substantially related to the fitness of the applicant or licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity.

Violation: By paying an additional $200.00 on behalf of her granddaughter towards the amount due on the lease, without disclosing it to HADCO, Sackett committed an act of fraud or engaged in dishonest conduct substantially related to the fitness of the applicant or licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity, in violation of ORS 696.301(14) 2009 Edition.

2.1 OREA reserves the right to investigate and pursue additional complaints that may be received in the future regarding this licensee.

2.2 The above violations are grounds for discipline pursuant to ORS 696.301. According to ORS 696.396 (2)(c)(A)(B)(C), OREA may suspend a real estate license if the material facts establish a violation of a ground for discipline under ORS 696.301 that results in significant damage or injury, exhibits incompetence in the performance of professional real estate activity or exhibits dishonesty or fraudulent conduct.
STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by OREA and further, the order which follows hereafter. I understand that the findings of fact, conclusions of law and this stipulation and waiver embody the full and complete agreement and stipulation between OREA 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. Hearings are 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. 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 may be completed and signed by the Real Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an amended notice of intent may be issued in this matter. I 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.
ORDER

IT IS HEREBY ORDERED that Sackett's real estate license be, and hereby is, reprimanded. In addition, Sackett must complete the following portions of the 60 hour property manager pre-licensing course: a) OAR 863-022-0015(2)(c), 12 hours of tenant relations and fair housing laws, including the Oregon Residential Landlord and Tenant Act and the Fair Credit Reporting Act, and b) OAR 863-022-0015(2)(d), 7 hours of contracts and leases. A certificate of completion must be presented to OREA within 4 months of this order showing completion of the course sections listed above. If the education is not completed within 4 months of this order a 60 day suspension will be immediately imposed.

IT IS SO STIPULATED:

DOROTHY E SACKETT

Date 11-4-13

IT IS SO ORDERED:

GENE BENTLEY

Real Estate Commissioner

Date 11-18-13

DATE of service: 11-19-2013