REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of
TERRY G. BOOKE

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Terry G. Booke (Booke) do hereby
agree and stipulate to the following:

FINDINGS OF FACT
&
CONCLUSIONS OF LAW

1.1 Booke was licensed as a principal broker with Oregon First from April 3, 2015 to
June 28, 2019. From June 4, 2009 to April 2, 2015, Booke held a broker license and was
associated with Oregon First.

1.2 Booke signed a written agreement with principal broker Mickey Lindsay
(managing principal broker of Oregon First) agreeing that Booke was responsible for and
would supervise Nick Bodeman (Bodeman). This agreement was signed on August 20, 2014,
when Booke held a broker license. Booke supervised Bodeman between August 20, 2014 and
April 3, 2015.

(1) Violation: By signing a written agreement to exercise supervision over the real estate
activity of Bodeman while Booke was a real estate broker, Booke violated ORS 696.301(3) as
it incorporates ORS 696.022(2)(a) (2013 and 2015 Editions) which states a real estate broker
may engage in professional real estate activity only if the broker is associated with and
supervised by a principal real estate broker. Except as provided in paragraph (c) of this
subsection, a real estate broker may not employ, engage or supervise the professional real
estate activity of another real estate licensee.
1.3 In January 2016, Roger Slade (Slade) and his ex-wife Peggy Hanson (Hanson) hired Bodeman to represent them in the sale of Slade’s home at 7316 SW 33rd Ave in Portland Oregon (subject property).

1.4 Throughout the Slade transaction, Booke was Bodeman’s supervising principal broker.

1.5 Slade and Hanson had signed an agreement in which Hanson agreed to represent Slade in the sale of the subject property (Slade had given Hanson General Durable Power of Attorney so she could act on his behalf) and Slade agreed to transfer all proceeds from the sale to Hanson.

1.6 According to Bodeman, Hanson and Slade’s son had been renting and living in the subject property. Slade had fallen into financial trouble during this time so Hanson was paying for any repairs to the home while their son lived there. After their son moved out, Hanson began paying the mortgage and didn’t want to spend any more money on the house. Bodeman said Hanson wanted to get at least $165,000 out of the home sale.

1.7 When looking at the possible options for the property, dividing the lot was discussed with Slade. A large cedar tree would need to be removed for the lot to be divided. Neither Slade nor Hanson were advised by Bodeman or Booke (who was supervising Bodeman) that they may wish to check with the city regarding removal of the tree to see if it was a viable option. Bodeman said he did not suggest this to sellers because they urgently wanted to sell. Booke advised Bodeman that the City of Portland would not allow removal of the tree and if by some chance they did, it would take years to get approval, which was communicated to Slade by Bodeman.

(2) **Violation:** By failing to tell the sellers himself or failing to recommend that Bodeman tell the sellers to contact the City of Portland regarding the tree removal, and instead leading the sellers to believe the city would not approve the removal of the tree or that the approval would not be done quickly, Booke violated ORS 696.301(3) as it incorporates ORS 696.805(3)(e) (2015 Edition) which states that a seller’s agent owes the seller in a real estate transaction the following affirmative duties: (e) to advise the seller to seek expert advice on matters related to the transaction that are beyond the agent’s expertise.
1.8 Regarding the condition of the subject property, Booke stated the subject property needed extensive work and repairs.

1.9 The subject property was not listed on the multiple listing service (MLS). During the Agency’s investigation, Bodeman was asked if he had encouraged Slade and Hanson to list the property, he said he did not. Bodeman stated his instructions from Hanson were to sell the property quickly without spending any more money on it (including mortgage payments).

1.10 During the investigation, Booke said he told Hanson they could list the property on the MLS but even an as-is buyer could walk away after 30 days.

1.11 Booke did not thoroughly discuss the following with the sellers: a) options for listing the subject property on the multiple listing service (the pros and cons); and (b) potential listing prices for the subject property. Additionally, Booke failed to ensure that Bodeman thoroughly discussed the possibility of listing of the subject property and potential listing prices with the sellers.

(3) Violation: In failing to fully discuss all possible options regarding listing the subject property on MLS and possible listing price with the sellers or ensure that Bodeman thoroughly discussed these with the sellers, Booke violated ORS 696.301(3) as it incorporates ORS 696.805(3)(a) (2015 Edition) which states a seller’s agent owes the seller involved in a real estate transaction the following affirmative duties: (a) to exercise reasonable care and diligence.

1.12 Bodeman said he had been contacted by Ronald Layton (Layton) around January 2016 out of the blue and Layton was looking for a property to flip. Bodeman contacted Layton to see if he was still looking for a property and if he was interested in the subject property.

1.13 On February 4, 2016, Layton signed a promissory note to pay $5,000 in earnest money and an addendum in which he agreed to purchase the property “as-is” with no repairs and without removal of the heating oil tank.

1.14 On February 6, 2016, Slade signed and/or initialed a 10 page residential real estate agreement to sell the subject property for $185,000.00 to Layton, who was a cash buyer.
1.15 On March 11, 2016, county tax records show Layton sold the subject property to Renaissance Custom Homes LLC (Renaissance) for $450,000.00. Renaissance had the large cedar tree removed and divided the lot and built two townhomes which sold for $805,000 each.

1.16 Bodeman said he had no idea the property was worth as much as Layton sold it for.

(4) Violation: By failing to exercise adequate supervision over Bodeman in the Hanson/Slade transaction, Booke violated ORS 696.301(3) as it incorporates OAR 863-015-0140(4) (5-15-14 Edition) which states the principal real estate broker must directly supervise the licensees associated with the broker in fulfilling their duties and obligations to their respective clients.

1.17 All of the above demonstrate incompetence in performing acts for which Booke is required to hold a license.

(5) Violation: ORS 696.301(12) (2015 Edition) which states a licensee’s real estate license can be disciplined if they have demonstrated incompetence in performing any act for which the licensee is required to hold a license.

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, OREA may rely on one or more of the definitions contained in ORS 696.010.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by the Agency 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 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. 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. 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 the principal broker license of Booke be, and hereby is reprimanded.

IT IS FURTHER ORDERED that Booke complete the 27-hour Principal Broker Advanced Practices course, (detailed in OAR 863-022-0021) within six months from the effective date of this order. Booke must submit a certificate to the Agency showing completion of the 27-hour Principal Broker Advanced Practices Course. This certificate must be submitted to the Agency no later than 10 days after the education has been completed.

IT IS SO STIPULATED:  

TERRY G. BOOKE

Date 08-20-2019

IT IS SO ORDERED:

STEVEN STRODE
Real Estate Commissioner

Date 01-29-19

Date of Service: 01-29-2019