



Oregon

Kate Brown, Governor

AGENDA ITEM NO.

I.C.

Real Estate Agency

Equitable Center

530 Center St. NE, Suite 100

Salem, Oregon 97301-2505

Phone: (503) 378-4170

Regulations Fax: (503) 373-7153

Admin. Fax: (503) 378-2491

www.oregon.gov/rea

Notice of Agenda

OREGON REAL ESTATE BOARD

Regular Meeting Agenda

Monday, April 1, 2019

Standard Insurance

900 SW 5th Ave

Portland, OR 97204

NOTE: *The board plans to meet from 10 a.m. until 1:30 p.m., including a “working lunch” period.*

I. BOARD BUSINESS – Chair Farley

- A. Call to Order
- B. Chair Farley comments/Roll Call
- C. Approval of the Agenda and Order of Business
- D. Approval of 2.4.19, regular meeting minutes
- E. Date of the Next Meeting: 6.3.19 in Salem, OR location to be determined, to begin at 10am.

II. PUBLIC COMMENT – Chair Farley

- This time is set aside for persons wishing to address the Board on matters not on the agenda. Speakers will be limited to five minutes.
- The Board Chair reserves the right to further limit or exclude repetitious or irrelevant presentations. If written material is included, 12 copies of all information to be distributed to board members should be given to the Board Liaison prior to the meeting.
- Action will not be taken at this meeting on citizen comments. The Board, however, after hearing from interested citizens, may place items on a future agenda so proper notice may be given to all interested parties.
- If no one wishes to comment, the next scheduled agenda item will be considered.

III. NEW BUSINESS – Chair Farley

- A. PROTECTING VULNERABLE OREGONIANS FROM FINANCIAL ABUSE – Guest Speaker, Billie McNeely, Oregon’s Financial Exploitation Specialist
- B. 2019 Governor’s State Employee Food Drive Results-Commissioner Strode

IV. REQUESTS FOR WAIVERS – Chair Farley. Waiver request log.

- A. Ross Kelley requests experience requirement waiver.

V. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Chair Farley - None.

VI. BOARD ADVICE/ACTION – Commissioner Strode

- A. June 3, 2019 board meeting in Salem, OR

VII. COMMUNICATIONS – Administrative Actions Summary – Chair Farley

VIII. REPORTS – Chair Farley

- A. Commissioner Strode
- B. Agency division reports- Deputy Commissioner Owens
 1. Regulation Division – Selina Barnes
 2. Land Development Division – Michael Hanifin
 3. Education, Licensing, and Administrative Services Division – Maddy Alvarado

IX. ANNOUNCEMENTS – Chair Farley. Next board meeting: 6.3.19 in Salem, OR, venue to be determined, to begin at 10am.

X. ADJOURNMENT – Chair Farley

Interpreter services or auxiliary aids for persons with disabilities are available upon advance request.



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OREGON REAL ESTATE BOARD

**Regular Meeting Minutes
Oregon Real Estate Agency
530 Center St. NE, Suite 100
Salem, OR 97301**

Monday, February 4, 2019

BOARD MEMBERS PRESENT: Jef Farley, Chair
Debra Gisriel
Susan Glen
Jose Gonzalez
Dave Hamilton
Dave Koch
Pat Ihnat
Alex MacLean

BOARD MEMBERS ABSENT: Lawnae Hunter, Vice Chair, excused

OREA STAFF PRESENT: Dean Owens, Acting Commissioner
Selina Barnes, Regulations Division Manager
Maddy Alvarado, Customer Service Manager
Mesheal Heyman, Communications Coordinator

GUESTS PRESENT: Matt Fellman, Crawford Inspection Services
Peter Bale, Peter Bale Consulting

I. BOARD BUSINESS – Chair Farley

- A. Call to Order. Chair Farley called the meeting to order at 10am.
- B. Chair Farley comments/Roll Call. Chair Farley asked the board liaison to take roll call, board members to introduce themselves, and explained the role/function of the board.
- C. Approval of the Agenda and Order of Business.

MOTION TO APPROVE AGENDA AND ORDER OF BUSINESS UPON CORRECTING AGENDA ITEM NO. V. A. 4. MEETING DATE FROM 12.7.19 TO 12.2.19 BY DAVE HAMILTON

SECOND BY DAVE KOCH

MOTION CARRIED BY UNANIMOUS VOTE

- D. Approval of 12.10.18 regular meeting minutes.

MOTION TO APPROVE 12.8.10.18 REGULAR MEETING MINUTES AS SUBMITTED BY DAVE HAMILTON

SECOND BY DEBRA GISRIEL

MOTION CARRIED BY UNANIMOUS VOTE

- E. Date of the Next Meeting: 4.1.19 at the Standard Insurance Center, 900 SW 5th Ave, Portland, OR 97204, to begin at 10am.

II. PUBLIC COMMENT – Chair Farley.

- This time is set aside for persons wishing to address the Board on matters not on the agenda. Speakers will be limited to five minutes.
- The Board Chair reserves the right to further limit or exclude repetitious or irrelevant presentations. If written material is included, 12 copies of all information to be distributed to board members should be given to the Board Liaison prior to the meeting.
- Action will not be taken at this meeting on citizen comments. The Board, however, after hearing from interested citizens, may place items on a future agenda so proper notice may be given to all interested parties.
- If no one wishes to comment, the next scheduled agenda item will be considered.

Peter Bale addressed the issue of improving the process/protocol involved in continuing education classes, specific to monitoring licensees to ensure they are engaged and present during the education classes. He also stated that he personally prefers live (in person) training to online training.

DISCUSSION: General consensus of the board was to revisit/review this topic at the 4.1.19 board meeting.

III. REQUESTS FOR WAIVERS – Chair Farley. None.

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Chair Farley.

- A. Matt Fellman. Mr. Fellman appeared before the board and explained that he offers the following topics in his classes: Consumer Protection, Real Estate Contracts, and Dispute Resolution, which are all considered acceptable course topics.

MOTION TO APPROVE MATT FELLMAN'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH
SECOND BY PAT IHNAT
MOTION PASSED BY UNANIMOUS VOTE

- B. Chris Jacobsen continued from 12.10.18 board meeting to allow Mr. Jacobsen to research ORS Chapter 696 and OAR Chapter 863 regarding CEP responsibilities. Mr. Jacobsen appeared by phone and explained that he had reviewed the rules and laws regarding provider responsibilities. **DISCUSSION:** Dave Hamilton stated that the board needed to be more selective in approving continuing education provider petitions. Debra Gisriel indicated she was not able to find a reason to deny Mr. Jacobsen's petition. Mr. Owens clarified that as industry practitioners, the board uses their knowledge and discretion to make these decisions.

MOTION TO APPROVE CHRIS JACOBSEN'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH
SECOND BY DEBRA GISRIEL
MOTION CARRIED BY SEVEN AYES (JEF FARLEY, DEBRA GISRIEL, SUSAN GLEN, JOSE GONZALEZ, DAVE KOCH, PAT IHNAT, AND ALEX MACLEAN) AND ONE NAY (DAVE HAMILTON)

- C. Kathy Kemper-Zanck. Ms. Kemper-Zanck appeared by phone and explained she had 11 years of experience as a mortgage broker and 3 as an educator. She also explained the primary course she offers covers the topic of Real Estate Finance, which is considered an acceptable course topic. Ms. Kemper indicated she could provide education on the following topics in the future: Advertising Regulations, Real Estate Contracts, Real Estate Property Evaluation, Appraisal or Valuation, Real Estate Title, Real Estate Escrows, and Condominiums, which are all considered acceptable course topics.

MOTION TO APPROVE KATHY KEMPER-ZANCK'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH
SECOND BY ALEX MACLEAN
MOTION CARRIED BY UNANIMOUS VOTE

V. BOARD ADVICE/ACTION – Acting Commissioner Dean Owens

- A. 2019 potential meeting locations for:
1. 6.3.19 - Salem, venue to be determined
 2. 8.5.19 - Hood River, venue to be determined
 3. 10.7.19 - Astoria, venue to be determined
 4. 12.7.19 - Salem, OREA – date corrected to 12.2.19

MOTION TO APPROVE BOARD MEETING LOCATIONS BY DAVE HAMILTON
SECOND BY DEBRA GISRIEL
MOTION CARRIED BY UNANIMOUS VOTE

VI. NEW BUSINESS - Chair Farley

- A. 2019 Governor's State Employee Food Drive - Acting Commissioner Dean Owens - Mr. Owens explained that the food drive takes place every year during the month of February and the Agency participates by making food, payroll and cash donations as well as organizing various fundraisers. He also directed board members who wished to provide a cash donation to make checks payable to the food bank of their choice and forward to the Agency.

VII. COMMUNICATIONS - Administrative Actions Summary - Chair Farley

VIII. REPORTS – Chair Farley

- A. Agency division report - Acting Commissioner Dean Owens. Mr. Owens announced that Governor Brown appointed Steve Strode as the new Commissioner of the Agency. He also provided a brief legislation update.
1. Regulation Division - Selina Barnes. Ms. Barnes summarized the statistics provided in the written handout and explained staff changes due to an investigator resignation.
 2. Land Development Division - Michael Hanifin. Mr. Hanifin reviewed the information/statistics provided in the written handout and provided a legislation update.
 3. Education, Licensing, and Administrative Services Division – Maddy Alvarado. Ms. Alvarado summarized the statistics/information provided in the written handout and also explained staff duty changes.

IX. ANNOUNCEMENTS – Chair Farley. Next board meeting: 4.1.19 at the Standard Insurance Center, 900 SW 5th Ave., Portland, OR 97204, to begin at 10am.

X. ADJOURNMENT

Respectfully submitted,

Respectfully submitted,

DEAN OWENS, ACTING COMMISSIONER

JEF FARLEY, BOARD CHAIR

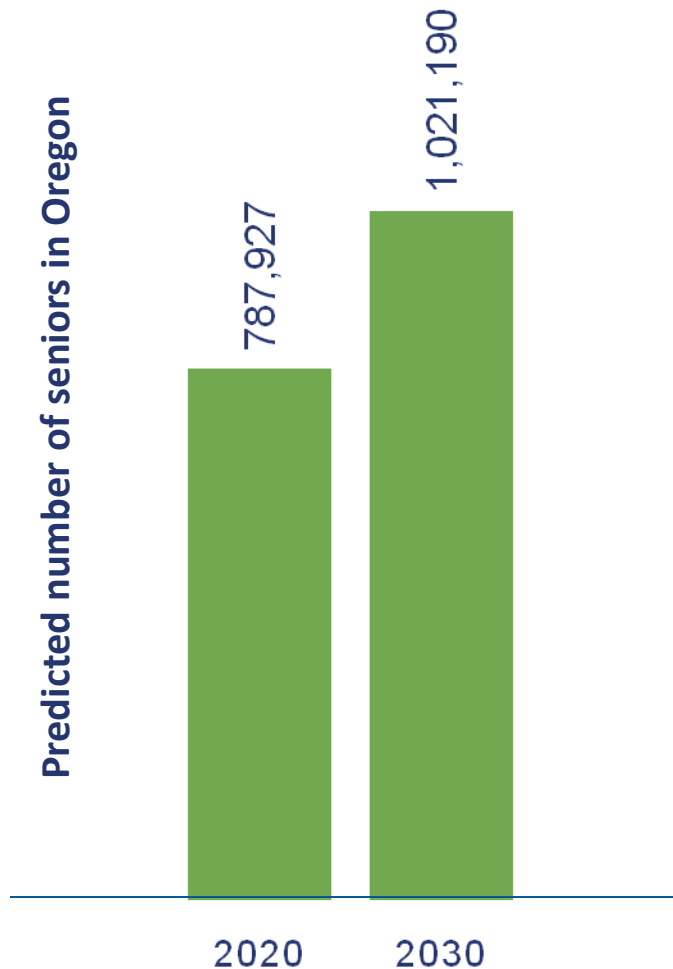
Adult Abuse Prevention and Investigations

Protecting Oregonians from Abuse: A closer look

Oregon Snapshot



Projected Growth of Oregon Seniors



Projected growth of Oregon's senior population from 2012 to 2030 is 175%

Source: The Oregon Office of Economic Analysis

Why Does This Matter?

Retirement Savings Lost:
Average US Victim Loses

\$120,000

Average Retirement Savings at 50

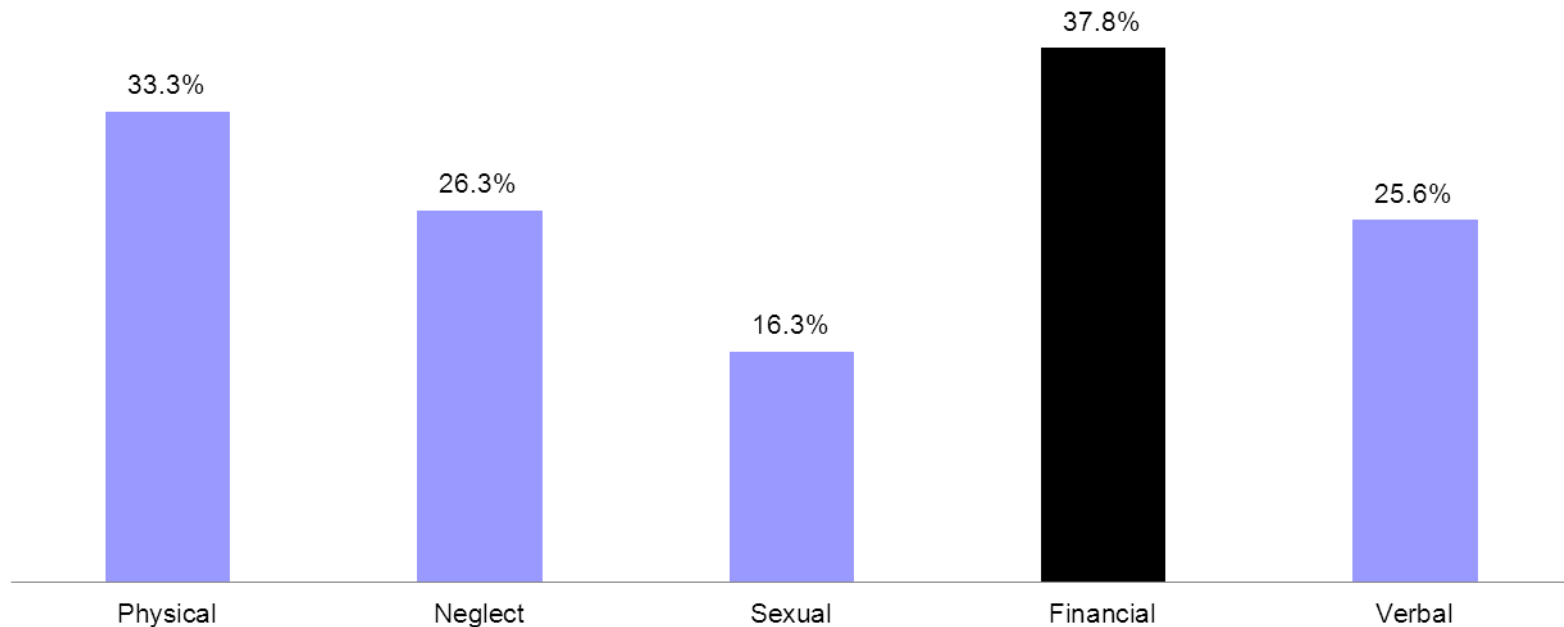
\$108,000

Average Oregon Loss

\$ 25,000

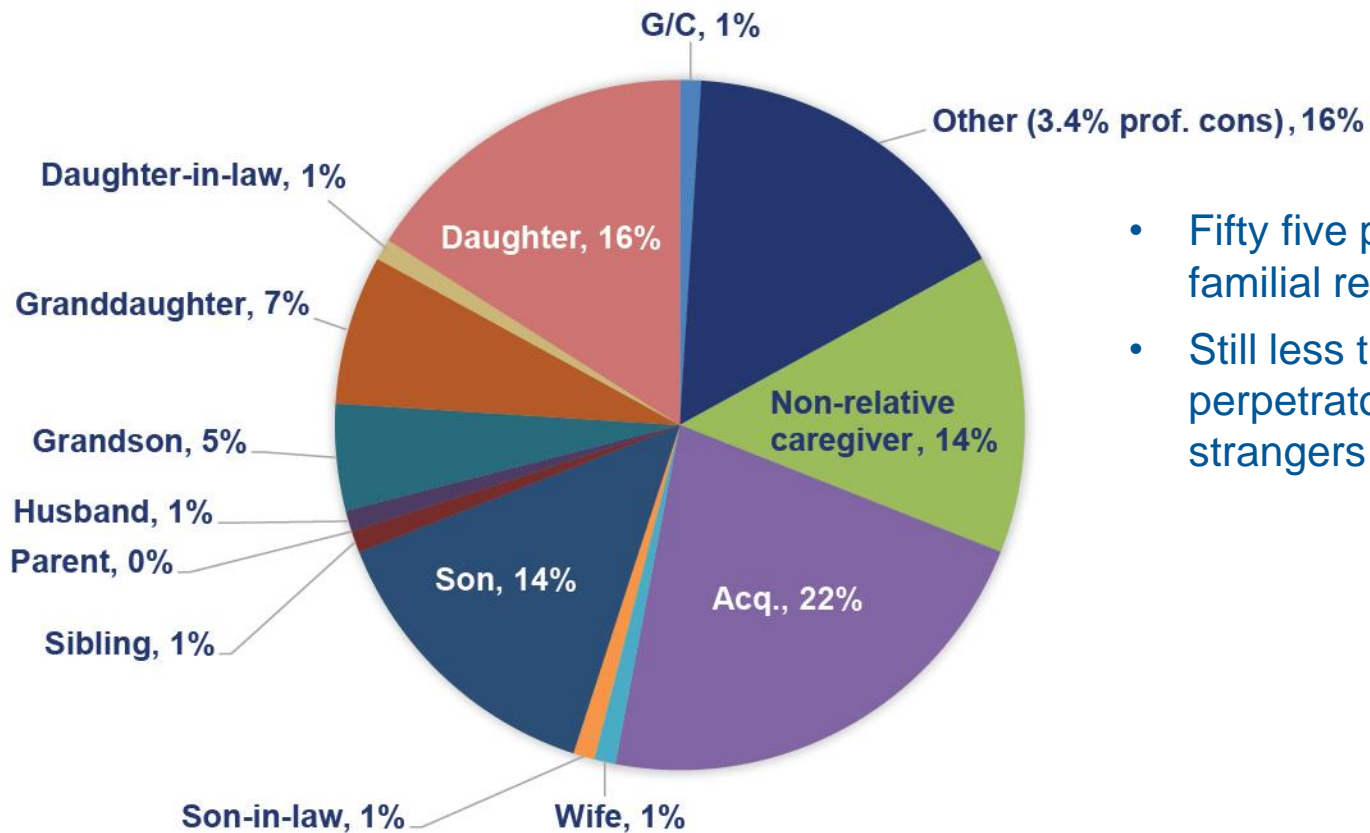


Predominately female, however, more likely to be male than any other abuse type:



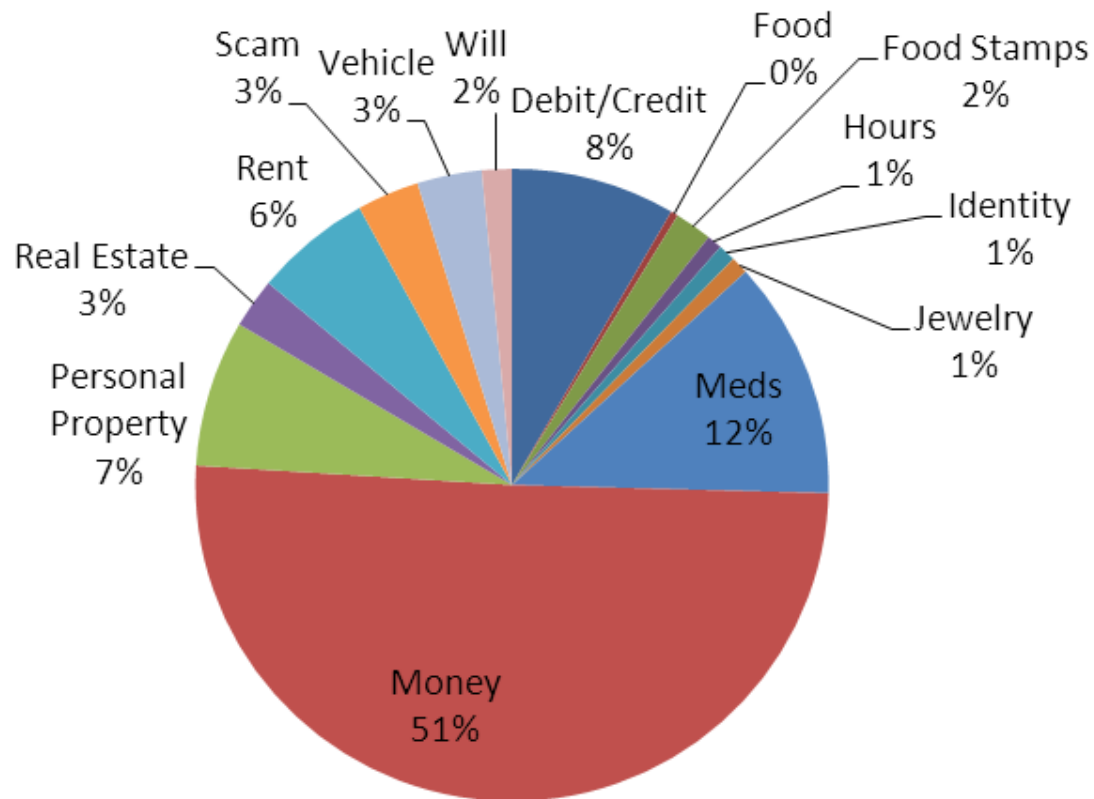
A closer look at perpetrators

FINANCIAL EXPLOITATION



- Fifty five percent had a familial relationship.
- Still less than 5% of perpetrators were truly strangers to the victim.

What is Taken?



It's An Under-reported Problem

- May be afraid to tell what happened
- Might not understand what happened
- Might not be able to verbalize what happened
- Ashamed that a family member mistreated them
- Don't think police or social agencies can really help

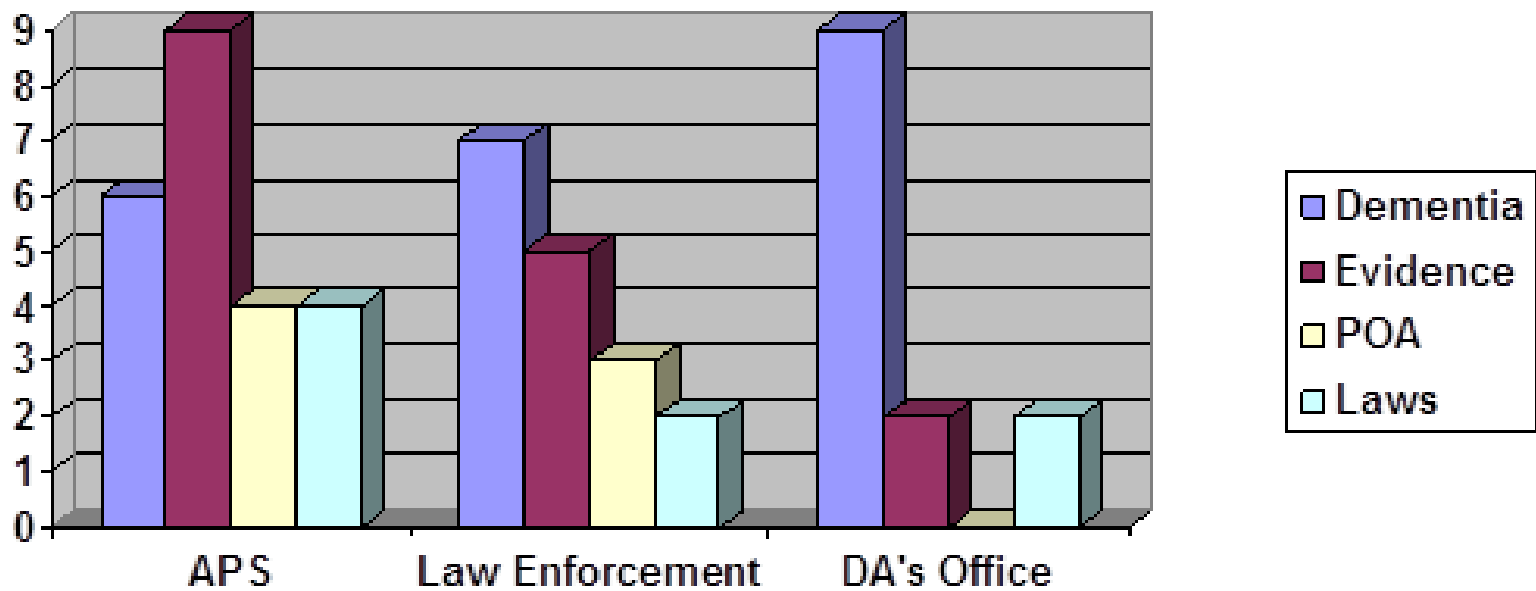
POA Abuse



ORS 127.045

Unless otherwise provided in the power of attorney document, an agent must use the property of the principal for the benefit of the principal.





Financial Victimization

- Financial victimization of the elderly and other dependent adults can be prosecuted criminally even if the victim “participates” in his or her own victimization because the relevant statutes focus on the perpetrator’s actions and state of mind, not the victim’s.

HB2622

- Authorizes financial institutions to refuse certain financial transactions when they reasonably believe financial exploitation of a “vulnerable person” may have occurred, may have been attempted or is being attempted.



FREEZE.....

- Refuse a transaction with or involving the vulnerable person
- Refuse to permit the withdrawal or disbursement funds in the account
- Prevent a change in ownership
- Prevent a transfer in funds from the vulnerable persons account to an account wholly or partially by another
- Refuse to comply with instructions given to the institution by POA signed or purported to have been signed by the vulnerable person

Time Frames

- 15 days from when the financial institution first acted if it did not involve the sale of a security.
- When the financial institution is satisfied the vulnerable person will not be further exploited.
- Upon court order.

Bonus!

- The financial institution MAY extend this duration based on reasonable belief that financial exploitation of a vulnerable person may continue to occur or be attempted.

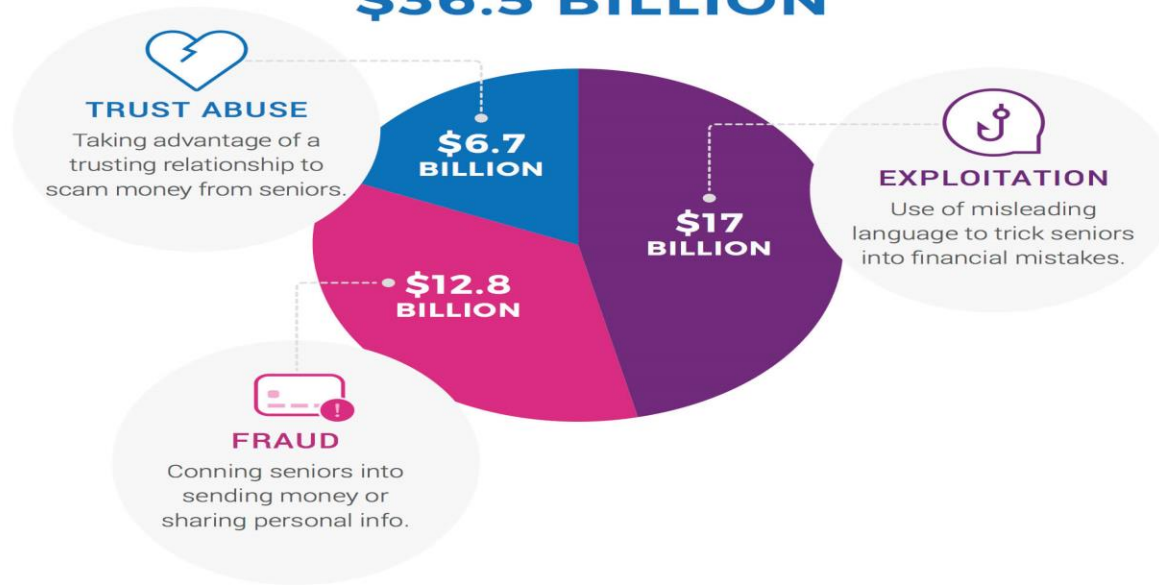
BONUS

HOW MUCH SCAMS

ARE COSTING SENIORS ANNUALLY



\$36.5 BILLION



Source: True Link Financial

Adult Protective Services: Scope of authority

- Adults have the right to make *informed choices* that do not conform to societal norms as long as those decisions are not harmful to others.
- This includes the right to refuse participation in APS assessment, investigation or intervention.

The role of APS is:

- *Civil, not criminal;*
- *Based on cooperative agreements with regulatory and enforcement agencies.*

What Happens When You Make the Report?

- Screening Process
- Investigation Process
- Services offered
- Referral to law enforcement, Medicaid Fraud Unit, SS Administration, DOJ



Beyond Financial Exploitation

- Neglect
- Physical Abuse
- Verbal Abuse
- Sexual Abuse
- Abandonment
- Involuntary Seclusion
- Wrongful Restraint

Where to Report?

Reporting Hotline:

1-855-503-SAFE

Or DHS Branch Offices:

<http://www.oregon.gov/dhs/spwpd/pages/offices.aspx>



Contact:

Aging and People with Disabilities

Billie McNeely, APD State Financial Exploitation Specialist

Email: billie.mcneely@state.or.us

503 689 3869

**AGENDA ITEM NO.
IV.**

**OREGON REAL ESTATE BOARD
Experience Requirement Waiver Request Log
2018 - 2019**

DATE	NAME	TYPE OF LICENSE	APPROVED OR DENIED	FACTS AND BOARD DISCUSSION
04.02.18	Ross Kelley	PB	Denied	<p>FACTS: Ross Kelley requests a waiver of experience to become a principal broker. Mr. Kelley explained his request was based on his legal experience on both residential and commercial real estate and also that his business model would be a small scale of commercial properties. Dave Koch asked Mr. Kelley about his attitude towards managing and Mr. Kelley responded that his goal would be to provide exemplary service and he has reviewed ORS Chapter 696. Mr. Koch asked Mr. Kelley if he had supervision experience and Mr. Kelley responded that has supervised paralegals, attorneys and in his current position as well. Alex MacLean asked Mr. Kelley if he has had any experience with day to day transaction activity and Mr. Kelley responded he has worked with many brokers as well as buyers and sellers.</p> <p>MOTION TO DENY MR. KELLEY'S REQUEST FOR WAIVER OF EXPERIENCE AND RECOMMEND MR. KELLEY MAKE HIS REQUEST AFTER ONE YEAR OF EXPERIENCE BY DAVE KOCH SECOND BY PAT IHNAT MOTION CARRIED BY UNANIMOUS VOTE</p>
06.04.18	Ryan McGraw	PB	Approved	<p>FACTS: Ryan McGraw requests experience waiver to become principal broker. Mr. McGraw appeared and explained the basis for his request for waiver was that he has practiced real estate law in some form for 9 years. He also explained that for the past 2 years he has been the equivalent to a principal broker in California, however, he relocated to Oregon and did not build the business in California. Mr. McGraw obtained his broker license in Oregon about a year ago and has handled some transactions but his goal was to build a residential property management business while continuing to sell homes. Dave Koch asked Mr. McGraw what supervisory experience he had. Mr. McGraw responded that for the last 6 years he has been responsible for supervising 22 staff in his current role. Dave Hamilton asked Mr. McGraw if he was operating as both realtor with a company and also the energy company. Mr. McGraw responded that he was operating as both. Commissioner Bentley clarified the area of concern for board members was Mr. McGraw his lack of experience in supervising new licensees and Mr. McGraw responded that he agreed with that concern and would only take on licensees that are fully experienced. Discussion: Alex MacLean stated although Mr. McGraw's lack of experience with supervision was a concern Mr. MacLean was in support of approval of this motion. Mr. Koch asked Mr. McGraw to expand on his management process/experience and Mr. McGraw described how he has handled various personnel issues as a manager/supervisor. Jose Gonzalez also expressed his support for approval of this motion. Pat Ihnat asked Mr. McGraw how he handled lease negotiations and Mr. McGraw responded that he has been involved as supervising and also has used brokers.</p> <p>MOTION TO APPROVE RYAN MCGRAW'S REQUEST FOR WAIVER OF EXPERIENCE BY LAWNAE HUNTER SECOND BY PAT IHNAT MOTION CARRIED BY UNANIMOUS VOTE</p>
12.10.18	Joseph Edwards	PB	Withdrawn	Joseph Edwards requests an experience waiver, Mr. Edwards contacted the agency to cancel his appearance due to unsafe road conditions.
04.01.19	Ross Kelley	PB		

Oregon Real Estate Board

Experience Requirement Waiver Request

Date: March 4, 2019

Name: Ross Kelley

Address: 1826 SW Dolph St., Portland, OR 97219

Daytime Phone Number: 503-901-9284

Oregon License Number: 201222308

GENERAL INFORMATION AND DOCUMENTATION

1. I am seeking an experience requirement waiver to become a real estate PRINCIPAL BROKER. (ORS 696.022 and OAR 863-014-0040)
2. I am currently licensed as a real estate broker in Oregon: Yes No
 If yes, please state the dates for which you held and Oregon real estate license: 05/07/2018 to Present
 Was your Oregon license obtained through a reciprocal agreement with another state? Yes No
3. I am currently licensed or have held a real estate license in another state that was issued by the state's licensing authority: Yes No . Indicate the following

Type of License	State Issued	Dates Active License Held	
Managing Broker (27373)	WA	From: 12/27/18	To Present
		From:	To
		From:	To

4. Per OAR 863-014-0040 and OAR 863-014-0042, I have:

	Yes	No	Date Completed	Additional Required Information	Agency Use Only
Completed the "Broker Administration and Sales Supervision" course for principal real estate brokers. Must be completed PRIOR to waiver request.	X		1/27/18	Attach original course certificate. See Exhibit A.	
Submitted the Real Estate License Application for Principal Broker license and \$230 fee. Must be completed PRIOR to waiver request.	X		1/10/18	Attach copy of confirmation letter from Agency. See Exhibit B.	
Successfully passed the Oregon Principal Broker exam. Must be completed PRIOR to waiver request.	X		3/04/19	National Score: 71/80 State Score: 44/50 See Exhibit C.	
Graduated from a four-year college or university with a degree in real estate curriculum approved by the Commissioner. (863-014-0042)		X		Attach official transcript to request, if any.	
Graduated with a two-year community college associates degree in real estate curriculum approved by the Commissioner. (863-014-0042)		X		Attach official transcript, if any.	

	Yes	No	Date Completed	Additional Required Information	Agency Use Only
Substantial real estate-related experience equivalent to at least 3 years active licensed experience. Include any real estate designations achieved. (OAR 863-014-0042)	X		<ul style="list-style-type: none"> • 5/11/14 • 1/01/17 • Present 	Attach a written details about your additional real estate experience that would assist in the Board's consideration of your waiver request. See Letter Accompanying Experience Requirement Waiver Request <ul style="list-style-type: none"> • JD/MBA Degree. • Real Estate Attorney. • Head of Acquisitions for Developer. 	
Included the number and type of real estate transactions (listings and transactions that were closed) I have completed while holding a real estate license in Oregon or in another state.	X		<ul style="list-style-type: none"> • 8/13/18 • 8/27/18 	Attach a document showing the number and types of transactions you have completed while licensed, if any. See Broker Section in attached Waiver Letter	

REQUIRED DOCUMENTS

Listed below are the required documents to be included in the request for an experience waiver.

1. Your letter requesting a waiver of the three year active licensed experience. This letter should:
 - o State the reason for the request, including the compelling reason why you cannot to complete the three years of active licensed experience.
 - o Indicate the real estate experience you have that would be an acceptable substitute for the three years of required experience.
 - o Explain how you obtained the knowledge and expertise to adequately manage a real estate business, which includes supervising Oregon real estate licensees and handling clients' trust accounts.
2. Required documentation listed above in the General Information and Documentation section #4.

HELPFUL DOCUMENTS


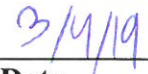
The following information is helpful, but not required, for the Board to thoroughly evaluate your request:

- o Letters of reference pertaining to your real estate experience
- o Letters of reference from current or past supervising principal brokers
- o Supervisory experience
- o Familiarity and experience in other related industries: escrow, title, mortgage, etc.

OTHER REQUIREMENTS

- **You will be required to attend the Oregon Real Estate Board meeting when this waiver is discussed. The Board schedule will be communicated in follow-up correspondence upon receipt of your documents.**
- **Be prepared to answer questions from the Board to support your request.**
- **Waiver requests must be received at the agency no less than 21 days before the board meets.**
- **You must email all documents, including this completed and signed "Experience Requirement Waiver Request," to madeline.c.alvarado@state.or.us.**

Please direct any questions to Madeline Alvarado at 503-378-4590 or madeline.c.alvarado@state.or.us.

I certify that the above information is true to the best of my knowledge.	
 _____ Signature of Waiver Applicant	 _____ Date

Ross P. Kelley
1826 SW Dolph St.,
Portland, OR 97219

March 4, 2019

Real Estate Agency
530 Center St NE Ste 100
Salem, OR 97301-2505
ATTN: Madeline Alvarado

Via email: madeline.c.alvarado@state.or.us

RE: Letter Accompanying Experience Requirement Waiver Request

Dear Oregon Real Estate Board,

I submit this application as I believe my unique background, education, and work experiences qualify as substantial real estate-related experiences equivalent to at least 3 years of active licensed experience, and thus allow me the opportunity to receive a waiver to become an Oregon Principal Broker.

My real estate experience can be broken into four unique phases: (1) acquiring a joint JD/MBA degree with a focus in real estate, (2) working as a real estate attorney, (3) working as the head of acquisitions and sales for a Portland developer, and (4) working as an Oregon broker and Washington Managing broker.

JD/MBA Degree

I enrolled into a joint JD/MBA program in 2010 with the goal to attain the skills and education necessary to one day run and manage my own business. As I got further along in my studies, it became apparent to me that my skillset and passion would lead me to a business related to real estate. To better prepare myself for my future profession in real estate, I took classes specifically focused on real estate, including Commercial Real Estate Transactions and Finance, Contracts, Real Estate Finance, Investment, and Entrepreneurship, and was a member of the Transactional Negotiation Team.

Real Estate Attorney

Immediately upon graduating law school, I started work at the law firm Reed Smith, where I worked as a real estate attorney on the Real Estate Team for over two and a half years. As one of the largest international law firms in the world, Reed Smith allowed me the rare opportunity to work on a great number of diverse real estate transactions.

Working for such a large firm gave me the opportunity to advise a range of clients (from small individual investors to billion-dollar REITs to institutional lenders) on a range of deals

(from a \$700,000 condo purchase to a \$260 million hotel purchase to the development of multi-billion dollar wind plant).

A large part of my job was drafting transaction documents for clients. To help facilitate closings I commonly drafted purchase and sale agreements, land sale contracts, LOIs, listing agreements, contract addenda, promissory notes, deeds of trusts, and other escrow related closing documents. My involvement and timing on deals would vary greatly (ranging from drafting the LOI at the very beginning of a transaction to jumping in on the date of closing to help fix an error for the escrow or title company).

As a fiduciary, I also spent a large amount of my time advising clients on an array of corporate matters, including mergers and acquisitions, formation and corporate governance, equity and debt financings, and day-to-day legal matters.

Besides representing the individual purchaser or seller in a transaction, I also represented multiple institutional lenders in connection with real estate financing transactions. This representation involved reviewing and drafting construction, mortgage, and refinance loan documents.

Head of Acquisitions and Sales for Developer

After spending nearly three years as a real estate attorney, I moved back to Portland in 2016 and have been working for a local real estate developer for over 2 years. While I am fortunate to wear a lot of hats at my current job, my main roles are to (1) buy and sell properties, (2) close construction, permanent, and refinance loans, and (3) oversee the property management subsidiary.

While working for my current employer I have overseen the purchase and sale of many properties, including offices, lots of land, houses, and multi-family apartment buildings. To purchase and sell each property, I have worked with many different local real estate brokers. Because of my background in real estate law and long list of closed transactions under my belt, I take a very active role in each transaction. This active role includes drafting, reviewing, and revising the LOI, PSA, PSA addendum, promissory notes, deed of trusts, and escrow instructions, and commonly involves me communicating directly with the other side (and the other sides' attorney), title/escrow agent, appraisers, surveyors, environmental engineers, mortgage brokers, and lenders.

Oregon Broker and Washington Managing Broker

I acquired my Oregon broker's license in early 2018 and became affiliated with (w)here, Inc. on 05/07/2018. Since joining (w)here, I have closed 2 transactions: 16390 SW Cinnabar Ct., Beaverton, OR on 8/13/2018 (ML#: 18390412) and 1826 SW Dolph St., Portland, OR on 8/27/2018 (ML#: 18444716). I am also in the process of listing another property in Oregon, and hope to close on that property in the next few months.

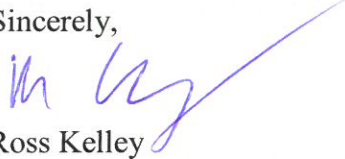
I acquired my Washington Managing Broker's license in December of 2018. I am affiliated with (w)here, Inc. in the state of Washington for this license as well.

Experiences Demonstrate Substantial Real Estate Experience

I believe that my work experiences and successes detailed in this letter (particularly my time as a real estate attorney) demonstrate that I have substantial real estate experience. Although it is not precedent, I believe that it is relevant to note that several other states highly value the experience as a real estate attorney. For example, Washington state code (WAC 308-124A-713) specifically states that “experience as an attorney at law with practice in real estate transactions for not less than one year” is a qualification in lieu of three years of full-time broker experience.

Thank you for giving me the opportunity to apply for an experience requirement waiver. I hope I have given the Board the confidence that I can adequately manage a real estate business.

Sincerely,



Ross Kelley

Enclosures

- Exhibit A: Broker Administration and Sales Supervision Certificate
- Exhibit B: Principal Broker Application Confirmation
- Exhibit C: Broker Exams
- Exhibit D: Letters of Recommendation

EXHIBIT A

Broker Administration and Sales Supervision Certificate



Completion Record

Oregon Real Estate Prelicense Education

You've successfully completed OnCourse Learning Real Estate's Oregon Real Estate Continuing Education course, *Oregon Brokerage Administration and Sales Supervision - Part II*.

The following document serves as Proof of Completion. Print a copy for your personal records. Additional copies may be printed at a later time by logging into your account.

Important Instructions to Obtain Your License

NOTICE: You must send your license application and the nonrefundable application fee to the Oregon Real Estate Agency prior to completing all your coursework. If you have not applied for your license, it is imperative you do so immediately. OnCourse Learning Real Estate is unable to report your course completion without the 9-digit Application ID you receive in the e-mail confirmation from the Oregon Real Estate Agency.

1. This certificate is solely for your records. You do not need to send your certificates to the Oregon Real Estate Agency. OnCourse Learning Real Estate will submit your education record to PSI.
2. Once your education is reported to PSI by OnCourse Learning Real Estate, you will receive an e-mail with instructions on how to schedule your state licensing examination with PSI.
3. Upon passing your state licensing examination, you will have your fingerprints taken digitally and pay the background check fees at the PSI test center.

Detailed instructions regarding the submission of your license application and the steps to obtain your license may be found at the Oregon Real Estate Agency website below:

<http://www.oregon.gov/rea/lic/Pages/index.aspx>



Certificate of Real Estate Prelicense Education

This certifies that

Student Name: Ross Kelley

9-digit Applicant ID:

Date of Birth:

Course Title: Oregon Brokerage Administration and Sales
Supervision - Part II

Course Number: 302OR032

Course Completion Date: 1/27/2018

Course Credit Hours: 40.00

Education Provider: OnCourse Learning Real Estate

I certify the above named student has completed the course through this institution and received a passing grade of C, or its equivalent. The Oregon Real Estate Agency has approved this course. This original, signed document serves as proof of completion. Student does not send the certificate to the Oregon Real Estate Agency. OnCourse Learning Real Estate will submit the course completion, upon the passing of all seven required courses and receiving the applicant ID confirming the license application submission, to PSI. School maintains records for 25 years.

Signature of School Official:

Melinda Jackson

Thank you for Completing Oregon Brokerage
Administration and Sales Supervision - Part I

Ross Kelley

1/19/2018

EXHIBIT B

Principal Broker Application Confirmation



Ross Kelley <rosspkelley@gmail.com>

Oregon Real Estate Principal Broker Application Received Confirmation

Oregon Real Estate Agency <noreply_rea@rea.state.or.us>
Reply-To: Oregon Real Estate Agency <orea.info@state.or.us>
To: Ross Patrick Kelley <rosspkelley@gmail.com>

Tue, Jan 2, 2018 at 5:31 PM

Dear Ross Patrick Kelley,

The Oregon Real Estate Agency has received your principal real estate broker license application. You may provide a copy of this e-mail to your real estate school as proof that you have submitted your license application to the Agency.

- Your applicant ID number is #201222308. Please keep this number for future use when contacting the Agency.
- Check your application status by logging into your eLicense account at <https://orea.elicense.irondata.com/>. Your license requirements will display under the Application Status tab.
- Agency records show that you must complete the following education from approved course providers to be eligible to take the principal broker license exam (only courses completed on or after January 1, 2013 qualify):
 - The broker pre-license course of study, consisting of 7 courses for a total of 150 hours, and
 - The 40-hour Brokerage Administration and Sales Supervision course.
- For more information on license requirements, please visit [Principal Broker License Requirements](#).

IMPORTANT NOTE: You are NOT actively licensed as a principal broker at this time. You cannot conduct professional real estate activity as a principal broker until you are actively licensed as one.

Oregon Real Estate Agency
[530 Center St. NE Ste. 100](#)
[Salem, OR 97301](#)
[\(503\) 378-4170](#)
www.rea.state.or.us
orea.info@state.or.us



Ross Kelley <rosspkelley@gmail.com>

Payment Confirmation for E-Payments

Oregon Real Estate Agency <noreply@epymtservice.com>
To: rosspkelley@gmail.com

Wed, Jan 10, 2018 at 8:28 AM

*** PLEASE DO NOT RESPOND TO THIS EMAIL ***

This email is to confirm your refund payment submitted on Jan-10-2018 for E-Payments.

Confirmation Number: ORREAB000100089
Refund Amount: \$230.00
Payment Effective Date: Jan-10-2018

Account Nickname: N/A
Credit Card Number: *
Credit Card Type: VISA
Approval Code: N/A

Merchant: REAL ESTATE EPAY
Website: <https://orea.elicense.irondata.com/>

If you have questions about this payment or need assistance, please view the payment online at <https://orea.elicense.irondata.com/> , or call Customer Service at (503)378-4170.

Thank you for using the N/A Agency electronic payment system.

EXHIBIT C
Broker Exams

Oregon Real Estate Agency

Real Estate Broker

Score Report



Ross Kelley

1826 SW Dolph St.

Portland, Oregon 97219

Candidate ID: XXX-XX-2308

Exam: OR Principal Broker Exam - OR Principal Broker - National

Exam Date: 03/04/2019

PASSING SCORE: 60.0 (75%)

YOUR SCORE: 71.0

GRADE: PASS

Congratulations! You have passed the **OR Principal Broker - National Examination**.

The following is an analysis of your performance on the examination. For a detailed description of the subject matter included within each Topic, please refer to the PSI Candidate Information Bulletin.

Topic	Number of Questions	Number Correct
Contracts	12	12
Land Use Controls and Regulations	5	5
Property Ownership	6	6
Transfer of Title	5	3
General Principles of Agency	11	10
Real Estate Calculations	4	3
Valuation and Market Analysis	6	5
Financing	7	5
Mandated Disclosures	9	8
Practice of Real Estate	12	11
Specialty areas	3	3

- The Oregon Real Estate Agency will receive your exam scores in 3 business days.
- Log in to your eLicense account at www.rea.state.or.us to check the status of your license application.
- Find additional information on licensing requirements in the "How to Get a License" section of www.rea.state.or.us.
- Once all license requirements are completed, the Agency will issue your new license.
- Passing exam scores and background clearances are good for 1 year. The Agency can only issue a license while the scores and background clearance are valid.

This score report is provided as a record of your scores. Do not send it to the Real Estate Agency.

Oregon Real Estate Agency

Real Estate Broker

Score Report



Ross Kelley

1826 SW Dolph St.

Portland, Oregon 97219

Candidate ID: XXX-XX-2308

Exam: OR Principal Broker Exam - OR Principal Broker - State

Exam Date: 03/04/2019

PASSING SCORE: 38.0 (75%)

YOUR SCORE: 44.0

GRADE: PASS

Congratulations! You have passed the **OR Principal Broker - State Examination.**

The following is an analysis of your performance on the examination. For a detailed description of the subject matter included within each Topic, please refer to the PSI Candidate Information Bulletin.

Topic	Number of Questions	Number Correct
License Law and Disciplinary Measures	5	4
Handling of Client Funds	7	7
Agency Law and Rules	4	3
Regulation of Broker Activities	8	5
Document Handling and Recordkeeping	4	4
Property Management	8	8
Oregon Real Estate Related Statutes	14	13

- The Oregon Real Estate Agency will receive your exam scores in 3 business days.
- Log in to your eLicense account at www.rea.state.or.us to check the status of your license application.
- Find additional information on licensing requirements in the "How to Get a License" section of www.rea.state.or.us.
- Once all license requirements are completed, the Agency will issue your new license.
- Passing exam scores and background clearances are good for 1 year. The Agency can only issue a license while the scores and background clearance are valid.

This score report is provided as a record of your scores. Do not send it to the Real Estate Agency.

EXHIBIT D

Letters of Recommendations

Stephane D. Nguyen
Direct Phone: +1 310 734 5231
Email: snguyen@reedsmith.com

Reed Smith LLP
1901 Avenue of the Stars
Suite 700
Los Angeles, CA 90067-6078
Tel +1 310 734 5200
Fax +1 310 734 5299
reedsmith.com

March 7, 2018

RE: Ross Kelley

Dear Oregon Real Estate Board:

I am an attorney and partner (in the real estate group) at the law firm Reed Smith LLP, which is one of the largest law firms in the world. The purpose of this letter is to strongly recommend that the Oregon Real Estate Board approve Ross Kelley to become an Oregon Principal Broker.

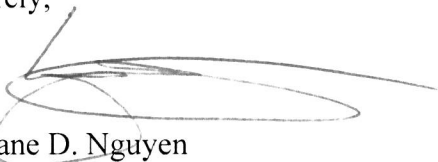
I had the pleasure of working with Ross from 2013 to 2016. During much of this time, Ross and I worked very closely together, almost on a daily basis, in the Firm's Real Estate Group. Based on my personal experience working closely with Ross, I can confidently state that Ross is extremely well equipped and more than ready to be a Principal Broker.

Ross was an excellent and diligent attorney who gained significant experience on all sides of real estate transactions. I can attest to the fact that he has gained substantial experience on many very large and highly complex real estate transactions. During his tenure at Reed Smith, for example, he worked to successfully close many deals for individuals, developers, lenders, equity financiers, REITs, and joint ventures – on both the seller and buyer side, and involving many different real estate asset classes. To help facilitate closings for his clients, Ross also helped his clients with leasing, development, and financing of real estate based assets. To hasten the speed of closings, Ross would also take charge of matters and deals regularly, and coordinate and communicate with all transaction parties – such as brokers, lenders, title and escrow companies, and various vendors (e.g., environmental consultants, engineering firms, etc.).

Ross was a very valuable asset to the Real Estate Group at Reed Smith, and I know he will be an even better asset to the Principal Broker community in the state of Oregon.

I am happy to answer any other questions you may have.

Sincerely,



Stephane D. Nguyen

SDN:cn

ReedSmith

James Eskilson
Direct Phone: +1 310 734 5205
Email: jeskilson@reedsmith.com

1901 Avenue of the Stars
Suite 700
Los Angeles, CA 90067-6078
Tel +1 310 734 5200
Fax +1 310 734 5299
reedsmith.com

March 7, 2018

Real Estate Agency
Attn: Madeline Alvarado
530 Center Street NE
Suite 100
Salem, OR 97301-2505

Re: Ross Kelley

Dear Oregon Real Estate Board:

It is my pleasure to recommend that the Board should accept Ross Kelley's application to become an Oregon Principal Broker. I had the privilege of working closely with Ross for over two and a half years when he was an attorney at Reed Smith LLP in Los Angeles.

During his time at Reed Smith, Ross showed an invaluable work ethic and strong knowledge of real estate law and finance. Ross diligently worked on all sides of real estate closings, and helped facilitate numerous real estate dispositions and acquisitions. He also worked extensively with institutional lenders to help close mortgage, construction and permanent loans.

I am confident that Ross possesses the skills, knowledge, and ethics to be a successful Principal Broker. I recommend Ross without reservation, and would be happy to provide any additional information if needed.

Sincerely,


James Eskilson

JE:rjt



Cox, Castle & Nicholson LLP
2029 Century Park East, Suite 2100
Los Angeles, California 90067-3284
P: 310.284.2200 F: 310.284.2100

Ryan E. Dosh
310.284.2147
rdosh@coxcastle.com

March 12, 2018

Real Estate Agency
530 Center St NE, Suite 100
Salem, Oregon 97301-2505A
Attn: Madeline Alvarado

Re: Ross Kelley – Oregon Principal Broker

To whom it may concern:

I am very pleased to recommend that Ross Kelley be accepted as a Principal Broker in the State of Oregon. I have worked opposite of Ross on several real estate transactions when he was a real estate attorney in Los Angeles. Ross proved to be a tremendous asset and fiduciary to his clients in every transaction that we were a part of.

Ross has displayed great knowledge and skills in these transactions and closings, and was essential to his clients in bringing about efficient and successful results.

Out of the workplace, I was able to get to know Ross on a more personal level through various real estate organizations and events. Ross is a high character individual and possesses tremendous morals and ethics, which will serve him very well as an Oregon Principal Broker.

Ross has my highest recommendation. I expect that his skills and leadership qualities will make him an invaluable addition to the Oregon Principal Broker community.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ryan E. Dosh', with a long horizontal flourish extending to the right.

Ryan E. Dosh

**ADMINISTRATIVE ACTIONS
for OREA Board
1/23/201 through 3/18/2019**

REVOCATIONS

Leitch, Brenda Dalton (Hammond) 990700056, Default Order dated March 5, 2019, issuing a revocation.

SUSPENSIONS

REPRIMANDS

Hoyer, Sherry Lee (Bend) Property Manager 200702277, Stipulated Order dated February 19, 2019, issuing a reprimand with education.

Fox, Marcus Andrew (Sherwood) Principal Broker 200508221, Stipulated Order dated February 21, 2019, issuing a reprimand.

CIVIL PENALTIES

Expired — Late Renewal civil penalties are computed using each 30-day period as a single offense. The civil penalty for the first 30-day period can range from \$100-\$500, with each subsequent 30-day period ranging from \$500-\$1,000. ORS 696.990

McCaslin, Mimi (Portland) Broker 910600032, Stipulated Order dated February 21, 2019 levying a \$100.00 civil penalty for unlicensed activity.

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of)
5)
6 BRENDA DALTON LEITCH) FINAL ORDER BY DEFAULT
7)
8)

9 1.

10 1.1 On February 5, 2019, the Real Estate Commissioner issued, by certified mail, a
11 Notice of Intent to Revoke Brenda Dalton Leitch's (Leitch) property manager license. The
12 Oregon Real Estate Agency (Agency) sent the Notice of Intent to Leitch's last known address
13 of record with the Agency. The Notice of Intent was also mailed to Leitch by regular first class
14 mail in a handwritten envelope.

15 1.2 The certified mailing of the Notice of Intent and the first class mailing of the
16 Notice of Intent were sent to Leitch at 1049 Nautical Dr., Hammond, OR 97121. These
17 mailings have not been returned to the Agency.

18 1.3 Over twenty (20) days have elapsed since the mailing of the notice issued in this
19 matter and no written request for hearing has been received.

20 1.4 Copies of the entire investigation file are designated as the record for purposes
21 of default, including any submission from respondent and all information in the administrative
22 file relating to the mailing of notices and any responses received.

23 2.

24 Based upon the foregoing and upon a review of the above described investigation
25 reports, documents and files, the Real Estate Commissioner finds:

26 2.1 Oregon Administrative Rule 863-001-0006 states, in part, that a notice of intent is
27 properly served when deposited in the United States mail, registered or certified mail,
28 addressed to the real estate licensee or to any other person having an interest in a proceeding
29 before the Commissioner at the licensee's or other person's last known address of record with
30 the Agency.

1 3.5 As of December 6, 2018, Leitch never submitted the requested documents to the
2 Agency in regards to the reconciliation mail-in review.

3 **Violation:** By failing to respond to the reconciliation mail in review and provide the
4 requested documents Leitch violated ORS 696.301(3) as it incorporates OAR 863-025-
5 0035(2)(a) (1-1-2018 Edition) which states: (2) a property manager must produce records
6 required under section (1) of this rule for inspection by the Agency as follows: (a) when the
7 Agency makes a request for production of property management records, the property
8 manager must provide such records within no less than five banking days. Leitch's actions
9 demonstrated incompetence in violation of ORS 696.301(12) (2017 Edition) which states that a
10 licensee's real estate license may be disciplined if they have demonstrated incompetence or
11 untrustworthiness in performing any act for which the licensee is required to hold a license.

12 3.6 On October 31, 2018, property owner Brad Heil (Heil) emailed the Agency
13 expressing concerns regarding his property manager Leitch.

14 3.7 On November 1, 2018, the Agency opened an investigation.

15 3.8 Leitch's registered business name B Dalton Property Management was set to
16 expire on October 1, 2018. The Agency's licensing division sent renewal notices to Leitch on
17 September 1st, 21st, and 28th, 2018. Additionally, Agency staff called Leitch on September 27,
18 2018, and left a voicemail message. Leitch made no effort to contact the Agency or renew her
19 business name. On October 1, 2018, the register business name expired, causing Leitch's
20 property manager license to become inactive. An email notification was sent to Leitch that day
21 and a warning notice advising Leitch not to conduct professional real estate activity was
22 emailed to her on October 2, 2018.

23 3.9 During the Agency investigation Leitch indicated she received the Agency's
24 notices and messages about renewing her business name. She said she had misunderstood
25 and thought it was regarding the Secretary of State business registration. Leitch's Secretary of
26 State business registry was set to expire on November 25, 2018.

27 3.10 Leitch rectified her licensing issues by creating a new registered business name
28 with the Agency and attaching her license to it on November 2, 2018.

29 ///

30 ///

1 3.11 Leitch admitted to conducting professional real estate activity during the thirty
2 day period when her license was inactive. She stated it was, "business as usual."

3 **Violation:** By engaging in management of rental real estate activity while her license
4 was inactive Leitch violated ORS 696.301(3) as it incorporates OAR 863-024-0065(1) (1-1-
5 2018) which states a property manager licensee whose license is on inactive status may not
6 engage in the management of rental real estate.

7 3.12 On April 19, 2016, Leitch signed a property management agreement with Heil to
8 manage his property located at 346 Skipanon Drive, Warrenton OR (subject property). The
9 contract was set to expire after one year, on March 30, 2018. Heil stated a new property
10 management agreement was never drawn up or signed. Leitch continued to manage the
11 subject property after the expiration date of March 30, 2018.

12 **Violation:** By continuing to manage the subject property without an unexpired property
13 management agreement, Leitch violated ORS 696.301(3) as it incorporates OAR 863-025-
14 0020(1) (1-1-2018 Edition) which states a property manager must not engage in the
15 management of rental real estate without a written, unexpired property management
16 agreement between the owner and property manager.

17 3.13 The subject property was part of a homeowners association (HOA) and was
18 subject to HOA fees. Responsibility for paying the HOA fees was not specifically addressed in
19 the property management agreement.

20 3.14 The total amount due each month had been \$36.00 through March 2018, and
21 increased to \$40.00 a month in April 2018.

22 3.15 On April 9, 2018, Heil emailed Leitch about the HOA account informing her that a
23 \$984.00 assessment was due along with another fee. Leitch did not remit this payment.

24 3.16 On October 8, 2018, Heil received notice that the HOA fees were past due for the
25 subject property. No payments had been made from February 2018 through October 2018.
26 Leitch was copied as a recipient on this email.

27 3.17 According to Heil, he said it was Leitch's responsibility to pay the HOA fees and
28 that it had been verbally agreed to.

29 ///

30 ///

1 **Violation:** By failing to address the HOA fees in the property management agreement
2 Leitch violated ORS 696.301(3) as it incorporates OAR 863-025-0020(2)(b) which requires a
3 property management agreement to include the duties and responsibilities of the property
4 manager and the owner.

5 3.18 Back in November 17, 2016, Heil emailed HOA bookkeeper Teena Adams
6 (Adams) asking that she add Leitch to any emails sent pertaining to the HOA account.
7 Additionally, he authorized Leitch to make payments on his account.

8 3.19 On October 8, 2018, Heil forwarded Leitch a delinquency notice regarding the
9 HOA fees and wrote, "Brenda, I have to get this paid ASAP." Leitch responded to Heil on
10 October 10, 2018. In her message, she wrote, "I will take care of it," and added "This was Paid
11 [sic] a while back along with the assessment. Three checks were written. I will check with my
12 bank first. If not cashed, I will drive over new checks."

13 3.20 Leitch told Agency Investigator/Auditor Frances Hlawatsch (Hlawatsch) that she
14 had not been receiving the HOA statements and "did not know" she needed to pay them. She
15 said all statements were sent to Heil. Leitch said she felt badly about what had happened and
16 had recently issued payment to the HOA for the fees. She said she would take responsibility
17 for any fees, meaning late charges. Leitch indicated she was waiting for Heil to determine how
18 much was due and would send additional payment if he directed her to.

19 3.21 On October 10, 2018, Leitch issued payment of \$3,515.86 for the HOA fees.
20 According to Adams, the moorage dues still had not been paid, and there was still a past due
21 balance of \$1,019 remaining after the October payment.

22 3.22 The emailed documents Adams provided demonstrated that Leitch had been
23 copied as a recipient on numerous attempts to collect the delinquent HOA dues.

24 **Violation:** By failing to make the HOA payments timely on behalf of the property owner,
25 and causing late charges to be assessed on the account, Leitch violated ORS 696.301(3) as it
26 incorporates ORS 696.890(4)(c), and (f) (2017 Edition), which requires a property manager
27 owes the property owner the following affirmative duties: (c) to exercise reasonable care and
28 diligence; and (f) to be loyal to the owner by not taking action that is adverse or detrimental to
29 the owner's interest.

30 ///

1 3.23 On October 12, 2018, Heil emailed Leitch, "I'm concerned I can't reach you and
2 have had no response asking you to transfer all my rental funds." His email indicated that Heil
3 had previously directed Leitch to transfer his funds into his personal Wells Fargo account and
4 she had not yet done so. He went on to write that he didn't understand why she was not
5 responding to his calls or request.

6 3.24 Leitch had managed the subject property since May 2016. The subject property
7 had not been vacant during the timeframe Leitch managed it, and the rent due each month
8 was \$1,000.00. Heil estimated that Leitch could be holding as much as \$27,000.00 on his
9 behalf.

10 3.25 Heil never received a disbursement of rental funds or any owner statements
11 during the time Leitch managed the property.

12 **Violation:** By failing to provide owner statements to Heil Leitch violated ORS
13 696.301(3) as it incorporates OAR 863-025-0055(4) (1-1-18 Edition) which requires a property
14 manager to report in writing to each owner any change in the owner's ledger. A monthly report
15 showing all receipts and disbursements for the owner's account is sufficient under this section.

16 3.26 The property management agreement states that "disbursed monies are based
17 upon checks clearing in the Trust Account" and a "three-week waiting period upon receipt of
18 rents will be expected."

19 3.27 Prior to October 2018, Heil had never asked for funds to be disbursed and had
20 not complained to Leitch about the lack of disbursement. Leitch stated Heil wanted his owner
21 funds in his account as a "savings" and did not want monthly disbursements. She said this
22 had been a verbal arrangement with Heil.

23 3.28 As of December 6, 2018, Leitch had not yet disbursed any owner funds to Heil.

24 3.29 The tenants (James and Janye Reuterthal) had been living in the subject
25 property since October 2017. At the time of the move-in Leitch collected the \$1,000 cash from
26 the tenants, however, Leitch did not have her receipt book with her to provide a receipt for
27 funds collected.

28 ///

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1 **Violation:** Leitch failed to record the collection of move-in funds received from the
2 tenants in violation of ORS 696.301(3) as it incorporates OAR 863-025-0065(5) (11-15-16
3 Edition) which requires a property manager to maintain a complete record of all funds or
4 consideration received in the property manager's property management activity. This record
5 must show from whom the funds or other consideration was received, the date of the receipt,
6 the place and date of deposit, and, the final disposition of the funds or other consideration.

7 **Violation:** By failing to provide tenants with a receipt for the \$1,000 move in funds
8 Leitch violated ORS 696.301(3) as it incorporates OAR 863-025-0060(1) (11-15-16) which
9 requires a property manager to prepare a legible written receipt for any cash funds received
10 under a property management agreement.

11 3.30 The Reuterdhals said Leitch did not have a lease agreement for them to sign at
12 move-in and assured them she would create one. The tenants stated they requested a lease
13 agreement on more than one occasion but Leitch never brought them one to sign. In her
14 interview with Hlawatsch, Leitch claimed to have created a lease agreement with the tenants
15 but that she had accidentally left the original executed document with the tenants. She
16 claimed to have requested it be returned from the tenants but they never returned it.

17 **Violation:** By failing to either have tenants sign a lease agreement or failing to maintain
18 a copy of the signed lease agreement Leitch violated ORS 696.301(3) as it incorporates OAR
19 863-025-0045(1) (11-15-16 Edition) which requires the property manager to file and maintain
20 legible copies of all tenant rental or lease agreements for the time period required under OAR
21 863-025-0035.

22 3.31 In early November 2017, Mrs. Reuterdhal contacted Leitch to ask how she
23 wanted them to remit their rent payment. Leitch drove to the subject property to collect the
24 rent and Mrs. Reuterdhal went down to Leitch's car to personally deliver the cash payment and
25 collect a receipt. Leitch informed Mrs. Reuterdhal that she had again forgotten her receipt
26 book and could not provide a receipt. She promised to mail the tenant the receipts for both
27 October and November's rent payments. Leitch never provided a receipt for the November
28 rent payment.

29 ///

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1 **Violation:** By failing to record the November rent received from the tenant Leitch
2 violated ORS 696.301(3) as it incorporates OAR 863-025-0065(5) (11-15-16 Edition) which
3 requires a property manager to maintain a complete record of all funds or consideration
4 received in the property manager's property management activity. This record must show from
5 whom the funds or other consideration was received, the date of the receipt, the place and
6 date of deposit, and, the final disposition of the funds or other consideration.

7 **Violation:** By failing to provide tenants with a receipt for November's rent Leitch
8 violated ORS 696.301(3) as it incorporates OAR 863-025-0060(1) (11-15-16) which requires a
9 property manager to prepare a legible written receipt for any cash funds received under a
10 property management agreement.

11 3.32 In early December 2017 Mrs. Reuterdhal reached out to Leitch to arrange
12 payment of rent. On December 11, 2017, Leitch drove to the subject property to pick up the
13 rent payment. Again, she did not have her receipt book or lease with her but made promises to
14 follow through soon.

15 3.33 In January 2018, the Reuterdhals made numerous attempts to contact Leitch by
16 phone and text message to arrange payment of their rent. The Reuterdhals said they did not
17 hear from Leitch for the entire month of January so they held onto their rent money waiting to
18 hear from her.

19 3.34 In February 2018, the Reuterdhals tried to reach Leitch by phone and text as
20 they had \$2,000 in rent that was due (January and February 2018 rent). They did not hear
21 from Leitch until the end of March 2018, when Leitch called Mrs. Reuterdhal and demanded to
22 be paid \$3,000 immediately. When Leitch came by to collect the \$3,000 in cash for the three
23 months of rent (January, February, and March rent), she again did not have her receipt book.
24 Leitch never provided the receipt for the \$3,000 payment of rent.

25 3.35 Mrs. Reuterdhal expressed her frustration to Leitch and asked if there was an
26 easier way to remit rent payment. She asked if they could mail money orders or take cash to
27 Leitch's bank each month. Leitch said she would provide her banking information so the
28 Reuterdhals could make deposits there.

29 ///

30 ///

1 **Violation:** By failing to properly record the December, January, February and March
2 rents received from the tenants Leitch violated ORS 696.301(3) as it incorporates OAR 863-
3 025-0065(5) (11-15-16 Edition) and (8) (1-1-18 Edition) which requires a property manager to
4 maintain a complete record of all funds or consideration received in the property manager's
5 property management activity. This record must show from whom the funds or other
6 consideration was received, the date of the receipt, the place and date of deposit, and, the final
7 disposition of the funds or other consideration.

8 **Violation:** By failing to provide tenants with a receipt for the rent paid for December,
9 January, February and March Leitch violated ORS 696.301(3) as it incorporates OAR 863-025-
10 0060(1) (11-15-16, 1-1-2018 Edition) which requires a property manager to prepare a legible
11 written receipt for any cash funds received under a property management agreement.

12 3.36 On April 9, 2018, Leitch sent a text message stating "need cash today," to the
13 Reuterdhals. Leitch suggested the tenants take cash to Wauna Federal Credit Union as they
14 could do "guaranteed funds." They were confused as to what this meant, but assumed Leitch
15 wanted them to deposit cash at the credit union and asked Leitch for an account number.
16 Leitch did not respond or provide any account numbers for them to do this, so they held onto
17 the April rent.

18 3.37 In May 2018, Leitch contacted Mr. Reuterdhal by phone and demanded
19 \$5,000.00. Leitch told him they were 5 months past due on rent and she would be issuing an
20 eviction notice. Mr. Reuterdhal told Leitch they were ready to pay \$2,000.00 and reminded her
21 they had paid \$3,000.00 in March. Leitch initially denied this and suggested that Mrs.
22 Reuterdhal had been lying to her husband about paying rent and perhaps had a gambling
23 problem. He asserted Leitch was wrong and they only owed \$2,000 for April and May. Leitch
24 denied this but eventually said she would "take \$2,000 and call it even."

25 3.38 Mr. Reuterdhal paid the \$2,000 by depositing cash into an account at Columbia
26 Bank as directed by Leitch.

27 ///
28 ///
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30 ///

1 **Violation:** By failing to keep an accurate record of rents received and due Leitch
2 demonstrated incompetence in violation of ORS 696.301(12) (2017 Edition) which states a
3 licensee's real estate license may be disciplined if they have demonstrated incompetence or
4 untrustworthiness in performing any act for which the real estate licensee is required to hold a
5 license.

6 3.39 On November 2, 2018, during a phone interview with Hlawatsch, Leitch promised
7 to provide her most recent completed clients' trust and security deposit account reconciliations
8 and supporting documents (Leitch indicated she was behind on reconciling and indicated the
9 last month she had completed was August 2018). She promised the documents would be
10 provided no later than November 5, 2018.

11 3.40 On November 6, 2018, the documents had not been provided, and OREA issued
12 a formal demand for the documents. Leitch was directed to provide her August reconciliations
13 and supporting documents no later than November 13, 2018. The demand was sent to Leitch
14 by email, phone voice mail message and regular mail.

15 3.41 Leitch failed to submit the requested documents by the November 13, 2018
16 deadline. As of December 6, 2018, Leitch has not submitted the requested documents.

17 **Violation:** By failing to produce the requested documents, Leitch violated ORS
18 696.301(3) as it incorporates OAR 863-025-0035(2)(a), (c) (1-1-2018 Edition), which requires a
19 property manager to produce records required under section (1) of this rule for inspection by
20 the Agency as follows: (a) When the Agency makes a request for production of property
21 management records, the property manager must provide such records within no less than five
22 banking days and (c) failure to produce such records within the timelines stated in subsection
23 (a) or (b) of this section is a violation of ORS 696.301. Leitch's actions also demonstrate
24 incompetence in violation of ORS 696.301(12) which states a licensee's real estate license
25 may be disciplined if they have demonstrated incompetence or untrustworthiness in performing
26 any act for which the real estate licensee is required to hold a license.

27 3.42 Leitch sent several emails to OREA with various reasons why she had been
28 unable to provide the requested documents.

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1 3.43 On November 20, 2018 OREA issued a subpoena for Leach to provide records.
2 Service for the subpoena was attempted on November 21, 2018 at 9:30 am at her main office
3 location (1049 Nautical Drive, Hammond, OR, 97121) for B. Dalton Property Management. In
4 attempting to serve the subpoena to Leitch, it was observed there was no sign identifying the
5 location as a main office. The 1049 Nautical drive location is listed as the main office location
6 for B. Dalton Property Management in the Agency licensing database.

7 **Violation:** By failing to have a sign designating the main office Leitch violated ORS
8 696.030 as it incorporates ORS 696.200(1)(c) (2017 Edition) which requires a property
9 manager to designate the main office by a sign that contains the name under which the real
10 estate licensee conducts professional real estate activity.

11 3.44 On November 28, 2018, Leitch was served the subpoena which directed her to
12 provide the requested documents to the Agency no later than December 7, 2018. Leitch never
13 provided the requested documents to the Agency as required by the subpoena.

14 3.45 On November 12, 2018, the Agency received communication relating to another
15 property owner formerly contracted with Leitch. Property manager Carla Sowins (Sowins)
16 forwarded an email (on November 12, 2018) to Hlawatsch containing multiple emails from
17 property owner Polly Buckingham (Buckingham).

18 3.46 In her multiple emails Buckingham was reaching out to her new property
19 manager Sowins expressing frustration about Leitch's failure to respond to the notice or deliver
20 the items requested as follows: owner records, keys, lease agreement and the tenant's
21 security deposit.

22 3.47 The emails indicated that Buckingham gave notice of termination to Leitch
23 effective November 1, 2018. Buckingham wrote that she had sent Leitch the notice around or
24 on September 27, 2018.

25 3.48 In Buckingham's November 12, 2018, email she wrote she had "contacted
26 Brenda a dozen times or more and have not heard back at all."

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1 3.49 Buckingham's property had been managed by Leitch since 2012. Buckingham
2 initially received disbursements of rental funds directly into her bank account. When the bank
3 closed its Astoria branch Leitch began to mail checks to Buckingham. The payments became
4 very inconsistent with funds only arriving every 4-6 months. Buckingham said she would
5 inquire with Leitch only to be met with delayed response and excuses. Buckingham said
6 waiting months to receive her funds caused financial hardship for her.

7 3.50 Buckingham provided screenshots of texts to and from Leitch over the previous
8 year and a half. The messages presented a pattern of Buckingham requesting rental funds to
9 be disbursed and being met with delayed responses and excuses.

10 **Violation:** By failing to timely disburse rental income to the property owner Leitch
11 violated ORS 696.301(3) as it incorporates ORS 696.890(4)(c), (e) and (f) (2015 and 2017
12 Edition) which states (4) a real estate property manager owes the property owner the following
13 affirmative duties: (c) to exercise reasonable care and diligence; (e) to act in a fiduciary
14 manner in all matters relating to trust funds; and (f) to be loyal to the owner by not taking action
15 that is adverse or detrimental to the owner's interest.

16 3.51 Buckingham said she did recall some documents coming to her at tax time but
17 she had not received her monthly owner statements.

18 **Violation:** By failing to send monthly owner statements to Buckingham, Leitch violated
19 ORS 696.301(3) as it incorporates OAR 863-025-0055(4) (11-15-16, and 1-1-2018 Edition)
20 which requires a property manager to report in writing to each owner any change in the
21 owner's ledger. A monthly report showing all receipts and disbursements for the account of
22 the owner during the prior monthly period is sufficient under this section.

23 3.52 Buckingham was unsure if a lease agreement with the tenant was in place for her
24 property managed by Leitch. In November 2013, Leitch had written a statement for
25 Buckingham to use as proof of income as she could not find the lease agreement showing how
26 much rent was being paid. In the statement, Leitch wrote she was "unable to find the copy of
27 current lease."

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1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of)
5)
6 SHERRY LEE HOYER) STIPULATED FINAL ORDER
7)
8)
9

10 The Oregon Real Estate Agency (Agency) and Sherry Lee Hoyer (Hoyer) do hereby
11 agree and stipulate to the following:

12 FINDINGS OF FACT
13 &
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Hoyer was licensed as a property manager with
17 First Rate Property Management, LLC.

18 1.2 In the summer of 2017 during a clients' trust account audit, Hoyer relayed to the
19 Agency that her bookkeeper had recently left and had stolen money from her clients' trust
20 account. On July 24, 2017, the Agency opened an investigation.

21 1.3 On July 25, 2017, Hoyer told Agency Investigator/ Auditor Meghan Lewis (Lewis)
22 in the last few years she had employed 3 different bookkeepers. She entrusted her
23 bookkeepers to complete the client trust account reconciliations, accept rent from tenants,
24 make bank deposits and transfer funds. Hoyer did not have any written delegations allowing
25 her bookkeepers to do these duties.

26 **(1) Violation:** By failing to have a written delegation of authority for employees who
27 performed monthly reconciliations Hoyer violated ORS 696.301(3) as it incorporates OAR 863-
28 025-0015(6)(b) (5-15-14, and 11-15-16 Edition) which states the following delegations of a
29 property manager's authority must be in writing, dated, and signed by the property manager,
30 and kept with written policies: (b) review, and approve reconciliations and receive and disburse
funds under OAR 863-025-0025(23).

1 1.4 Agency records showed Hoyer had a clients' trust account ending in #8441 and a
2 security deposits account ending in #8468.

3 1.5 As of July 25, 2017, Hoyer had not completed April, May or June 2017
4 reconciliations for her clients' trust account and security deposit account. Hoyer stated she
5 didn't think her records were accurate because her computer software wasn't working right,
6 and she couldn't be sure entries into the check register and ledgers were current in order to
7 complete the reconciliations.

8 **(2) Violation:** By failing to complete monthly reconciliations with the required three
9 components for both the clients' trust account and security deposits account for April and May
10 2017, Hoyer violated ORS 696.301(3) as it incorporates OAR 863-025-0025(20) and (21) (11-
11 15-16 Edition) which requires a property manager to reconcile each clients' trust account and
12 security deposits account within 30 calendar days of the date of the bank statement, with the
13 three required components which must be equal to and reconciled with each other. The
14 reconciliation document must be signed and dated by the property manager. Hoyer also
15 violated ORS 696.301(3) as it incorporates OAR 863-025-0035(1)(j)(11-15-16 Edition) which
16 states records of the management of rental real estate are complete and adequate if records
17 contain at least, (j) records of the reconciliation of each client trust account and security
18 deposit account including the reconciliation document.

19 1.6 In regards to the missing money, Hoyer told Lewis in July 2017 that she was
20 prepared to deposit money in her clients' trust account ending in #8441 to replace what was
21 missing. Hoyer presented a cashier's check in the amount of \$7,600.00 to Lewis. Hoyer was
22 asked how she had identified the missing money in her clients' trust account ending in #8441.
23 She admitted she had not identified where and when the shortages occurred. Hoyer explained
24 she compared the bank statements with the owners' ledgers and it appeared there was as
25 much as \$8,000.00 less in the bank account than there should be.

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1 1.7 On August 1, 2017, Lewis received an email from Hoyer with an attached deposit
2 slip for \$7,023.31 showing the funds deposited into clients' trust account ending in #8441.
3 Lewis requested supporting documentation showing how Hoyer determined the missing
4 amount to be \$7,023.31, and asking which owners' ledgers received part of this deposit.
5 Hoyer was unable to provide adequate supporting documentation showing how she identified
6 the missing money, and which owners' ledgers suffered loss of money and were then made
7 whole by the deposit of \$7,023.31.

8 **(3) Violation:** By failing to identify which owners' ledgers were missing funds, and
9 subsequently which owners' ledgers received funds from the \$7,023.31 deposit into clients'
10 trust account ending in #8441 Hoyer violated ORS 696.301(3) as it incorporates ORS
11 696.890(4)(c)(d) (e) (2017 Edition) which states (4) A real estate property manager owes the
12 property owner the following affirmative duties: (c) To exercise reasonable care and diligence;
13 (d) To account in a timely manner for all funds received from or on behalf of the owner; (e) To
14 act in a fiduciary manner for all matters relating to trust funds. Hoyer also violated ORS
15 696.301(3) as it incorporates OAR 863-025-0065(4), and (5) (11-15-16 Edition) which states,
16 (4) For each deposit made under ORS 696.241, a property manager must obtain a deposit slip
17 and make a written notation of the owners identifying code on the deposit slip. As used in this
18 rule, "deposit slip" means an independently verifiable third party document created by the third
19 party as the time of the deposit, and (5) A property manager must maintain a complete record
20 of all funds or other consideration received in the property manager's property management
21 activity. This record must show from whom the funds or other consideration was received, the
22 date of the receipt, the place and date of deposit, and the final disposition of funds.

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1 **April 2017- June 2017 CTA ending in # 8441 Reconciliations:**

2 1.8 During the investigation Hoyer provided reconciliations to Lewis for review. One
3 of the supporting documents in the reconciliation was the titled, "Detailed Property Statement",
4 which Hoyer identified as the owner ledger. The owner ledger indicated inconsistencies with
5 the bank statement and check register, for the date of funds received and deposited. For
6 example, the April 2017 reconciliation showed, for funds received and deposited on April 3,
7 2017, the bank statement indicated, \$22,534.00, the check register indicated, \$26,759.00, and
8 the owner ledger indicated, \$6,334.00. For the May 2017 reconciliation, for funds received and
9 deposited on May 1, 2017, the bank statement indicated \$4,665.00, the check register
10 indicated \$4,705.00 and the owner ledger indicated, \$28,533.00.

11 1.9 Additionally, the owner ledger was missing the following required elements: the
12 owner's name and identifying code the purpose of the funds and person who tendered the
13 funds, check number, cash receipt number, or electronic tracking number to establish an audit
14 trail, and the balance after each recorded entry.

15 1.10 The check registers lacked the following required identify information: for the
16 receipt of funds, the purpose of the funds and identity of the person who tendered the funds,
17 the purpose for any disbursement, and identifying code.

18 1.11 A review of the April through June 2017 monthly reconciliations for clients' trust
19 account ending in #8441 demonstrated that Hoyer had not maintained her required records in
20 a format which readily enabled tracing and reconciling of her clients' trust funds.

21 **(4) Violation:** By failing to include the required detail in the owner ledger, Hoyer violated
22 ORS 696.301(3) as it incorporates OAR 863-025-0055(3)(a),(b)(A)(B)(C),(c),(d) (11-15-16 Ed.)
23 which states, (3) All owner's ledgers must contain the following information: (a) The owner's
24 name and identifying code; (b) For each deposit of funds; (A) The amount of the funds
25 received, (B) The purpose of the funds and the identity of the person who tendered the funds;
26 (C) The check number, cash receipt number, or electronica tracking number to establish an
27 audit trail to the receipt of funds; (c) For each disbursement of funds; and (d) The balance after
28 each recorded entry.

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1 **(5) Violation:** By failing to properly maintain the required records Hoyer violated ORS
2 696.301(3) as it incorporates ORS 696.280(1)(2015 Edition) which requires a property
3 manager to maintain complete and adequate records of all professional real estate activity
4 conducted by or through the real estate licensee. Hoyer also violated ORS 696.301(3) as it
5 incorporates OAR 863-025-0035(1)(b)(d)(3)(b) (11-15-16 Edition) which states, (1) The
6 property manager's records of the management of rental real estate are "complete and
7 adequate" as required under ORS 696.280 if the records contain, as least, the following; (b)
8 client trust account and security deposit account records; (d) A record for receipts and
9 disbursements or check register maintained for each clients' trust account or security deposits
10 account; (3) If a property manager uses a computerized system for creating, maintaining, and
11 producing required records and reports; (b) Posting of owner ledgers, record of receipts and
12 disbursements, tenant ledgers, and manipulation of information must be maintained in a format
13 that will readily enable tracing and reconciling. Hoyer also violated ORS 696.301(3) as it
14 incorporates OAR 863-025-0040(2)(a)(C),(b)(D), (c)(11-15-16 Ed.), which states, (2) A record
15 of receipts and disbursements, or a check register must contain at least the following
16 information, (a) for each receipts of funds: (C) The purpose of the funds and identity of the
17 person who tendered the funds, (b) For each disbursement of funds: (D) The purpose of the
18 disbursement, and (c) If there is more than one property in a clients' trust account, each entry
19 for a receipt, deposit or disbursement must be identified with the applicable identifying code.

20 **July- August 2017 Security Deposit Reconciliations**

21 1.12 Hoyer's July 2017 reconciliation for security deposit account ending in #8468
22 showed the following:

- 23 • Part I, Bank Balance: \$69,145.49
- 24 • Part II, Check Register: \$69,145.49
- 25 • Part III, Security Deposits: \$66,330.00
- 26 • Part IV, Summary/Difference: \$2,815.49, with a written explanation as possible
27 uncleared checks or deposit made to the wrong account.

28 1.13 On August 16, 2017, Lewis received an email from Hoyer explaining they found a
29 surplus in the security deposits account, and they had gone back six months and still couldn't
30 identify the difference.

1 1.14 Hoyer's August 2017 reconciliation for security deposit account ending in #8468
2 showed the following:

- 3 • Part I: Bank Balance: \$67,000.99
- 4 • Part II: Check Register: \$67,900.99
- 5 • Part III: Security Deposits: \$68,895.00
- 6 • Part IV: Summary/Difference: \$994.01 with written explanation of possible
7 transaction posted to the wrong account.

8 1.15 A review of both July and August 2017 reconciliations for the security deposit
9 account show the out of balance amount changing from \$2,815.49 more in the bank and check
10 register compared to the total of the individual security deposits and fees held in the security
11 deposits account (Part III) to a difference of \$944.01 less in the bank account and check
12 register compared to the total of individual security deposits and fees held in the security
13 deposits account (Part III).

14 **(6) Violation:** By failing to identify and explain the differences and corrective action taken
15 for the July and August 2017 reconciliations of security deposit account ending in #8468 Hoyer
16 violated ORS 696.301(3) as it incorporates OAR 863-025-0025(22)(11-15-16 Ed.) which states
17 a property manager must take corrective action to resolve all adjustments made in a
18 reconciliation prior to the next reconciliation or to document the good faith efforts the property
19 manager has taken to resolve the adjustment. Hoyer also violated ORS 696.890(4)(c), (d),
20 (e)(2015 Edition), which states, (4) A real estate property manager owes the property owner
21 the following affirmative duties: (c) To exercise reasonable care and diligence; (d) To account
22 in a timely manner for all funds received from or on behalf of the owner; and (e) To act in a
23 fiduciary manner for all matters relating to trust funds. Hoyer's conduct is grounds for
24 discipline under ORS 696.301(12).

25 1.16 A review of four active property management agreements (with effective dates
26 between August 5, 2012 and August 17, 2017) listed the management fee as a percentage of
27 the monthly rent, however they did not designate when the management fees would be earned
28 or paid.

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1 1.17 Additionally, all four property management agreements did not disclose Hoyer's
2 use and interest in her husband's property maintenance company, Able Property Services
3 (APS). Hoyer's check registers indicate APS received payment for property maintenance
4 services.

5 **(7) Violation:** By failing to disclose in the property management agreement when the
6 management fees will be earned and paid, Hoyer violated ORS 696.301(3) as it incorporates
7 OAR 863-025-0020(2)(f)(9-1-11, 9-1-12, 4-1-13, 5-15-14, 11-15-16 Editions.), which states, (2)
8 A property management agreement must include, but is not limited to: (f) The management
9 fees, application fees, screening fees, rebates, discounts, overrides and any other form of
10 compensation to be received by the property manager for management of rental real estate
11 including when such compensation is earned and when it will be paid.

12 **(8) Violation:** By failing to disclose in the property management agreement her pecuniary
13 interest and use of Able Property Services Hoyer violated ORS 696.301(3) as it incorporates
14 OAR 863-025-0020(2)(i)(9-1-11, 9-1-12, 4-1-13, 5-15-14, 11-15-16 Eds.), which states, (2) A
15 property management agreement must include, but is not limited to: (i) Disclosure of the use
16 of employees or a business in which the property manager has a pecuniary interest at the time
17 of the execution of the property management agreement. Hoyer also violated ORS
18 696.890(3)(g) (2011 and 2013 Editions) and ORS 696.890 (4)(g) (2015 Edition) which states,
19 (4) A real estate property manager owes the property owner the following affirmative duties: (g)
20 To disclose in a timely manner to the owner any existing, or contemplated conflict of interest.
21 Hoyer's conduct is grounds for discipline under ORS 696.301(12).

22 1.18 Agency records showed Hoyer's clients' trust account and security deposit
23 account were held with Bank of the Cascades. On August 11, 2017, First Interstate Bank
24 acquired Bank of the Cascades and became First Interstate Bank. As of October 27, 2017,
25 Hoyer had failed to update the Agency licensing database with the new bank name as
26 required.

27 **(9) Violation:** By failing to update the new bank name in the Agency's licensing database
28 Hoyer violated ORS 696.301(3) as it incorporates ORS 696.241(4)(a) (2015 Edition), which
29 states, (2) within 10 business days from the date a clients' trust account is opened , the
30 licensee shall notify the Agency the account has been opened, and the notice must include,
but not limited to: (a) The name of the bank where the account is located.

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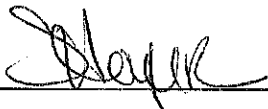
ORDER

IT IS HEREBY ORDERED that the property manager license of Hoyer be, and hereby is reprimanded.

IT IS FURTHER ORDERED that Hoyer complete the 27- hour Property Manager Advanced Practices course, (detailed in OAR 863-022-0022, 1-1-2018 Edition) within four months from the effective date of this order. Hoyer must submit a certificate to the Agency showing completion of the 27-hour Property Manager 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:

IT IS SO ORDERED:



SHERRY LEE HOYER

DEAN OWENS

Acting Real Estate Commissioner

Date 2-12-19

Date 2-19-2019

Date of Service: 2-19-2019

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of)
5)
6 MARCUS ANDREW FOX) STIPULATED FINAL ORDER
7)
8)
9

10 The Oregon Real Estate Agency (Agency) and Marcus Andrew Fox (Fox) do hereby
11 agree and stipulate to the following:

12 FINDINGS OF FACT
13 &
14 CONCLUSIONS OF LAW
15 1.

16 1.1 At all times mentioned herein, Fox was licensed as a principal broker with Keller
17 Williams Realty Portland Premiere (KWRPP).

18 1.2 On October 3, 2016, the Agency sent an Educational Letter of Advice to Fox
19 regarding advertising issues related to Fox's real estate team, Fox Real Estate Group (FREG).

20 1.3 On or around March 1, 2017, the Agency received a complaint against Fox. The
21 subject matter of the complaint did not warrant further investigation and was closed, however,
22 the complaint contained email correspondence from FREG members indicating that
23 advertising issues were still ongoing.

24 1.4 On March 16, 2017, the Agency opened an investigation. On November 11,
25 2017, the FREG website, FREG's Facebook.com, Google +, and Twitter.com website were
26 reviewed.

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1 FREG homepage website:

2 1.5 a. The registered business name displayed was Keller Williams Realty. The
3 name did not contain the words "Portland Premiere" which is part of the registered business
4 name, KWRPP.

5 **(1) Violation:** By displaying "Keller Williams Realty," on the FREG's website rather than the
6 full registered business name of KWRPP, Fox violated ORS 696.301(3) as it incorporates
7 OAR 863-015-0125(4) (11-15-16 Edition) which requires the registered business name of the
8 principal real estate broker to be prominently displayed, immediately noticeable and
9 conspicuous in all advertising.

10 1.6 b. Three Keller Williams registered businesses names were displayed in the
11 FREG's logo on the website: Keller Williams Realty Portland Premiere, Vancouver Premiere
12 Partners and Keller Williams Eugene & Springfield. Fox's principal broker license was only
13 associated with KWRPP.

14 **(2) Violation:** By displaying registered business names on the FREG's website that Fox's
15 license was not associated with Fox violated ORS 696.301(3) as it incorporates OAR 863-015-
16 0125(11)(c)(11-15-16 Edition). OAR 863-015-0125(11) allows a licensee to use the term
17 "team" or "group" to advertise if: (c) the licensee members of the team or group are associated
18 with the same principal broker.

19 1.7 c. Two FREG property listings were randomly chosen from the FREG
20 website (328 SE Maple Cir., Gresham, OR and 203 NE Oak View Ln., Estacada, OR). Both
21 property listings advertise FREG logos that included two registered business names,
22 "Vancouver Premiere Partners" and "Eugene/Springfield." Fox's registered business name
23 KWRPP was not immediately noticeable nor prominently displayed on either listing.

24 **(3) Violation:** By advertising registered business names that Fox's license was not
25 associated with on the two listings for 328 SE Maple Cir, and 203 NE Oak View Ln., Fox
26 violated ORS 696.301(3) as it incorporates OAR 863-015-0125(11)(c)(11-15-16 Edition). OAR
27 863-015-0125(11) allows a licensee to use the term "team" or "group" to advertise if: (c) the
28 licensee members of the team or group are associated with the same principal broker.

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1 **(4) Violation:** By failing to prominently display KWRPP in the two property listings, Fox
2 violated ORS 696.301(3) as it incorporates OAR 863-015-0125(4) (11-15-16 Edition), which
3 requires the registered business name of the principal real estate broker to be prominently
4 displayed, immediately noticeable and conspicuous in all advertising.

5 FREG's "Meet Our Team" webpage:

6 1.8 a. The webpage contained broker advertising for licensees who were not
7 affiliated with KWRPP, Bobbi Jo Crandall, Amanda Switzer, and Jenny Trank. Both Bobbi Jo
8 Crandall and Amanda Switzer were associated with Keller Williams Realty, Eugene &
9 Springfield. Jenny Trank's license was associated with Portland Premiere Referrals.

10 **(5) Violation:** By advertising brokers Bobbi Jo Crandall, Amanda Switzer and Jenny Trank
11 as part of FREG, Fox violated ORS 696.301(3) as it incorporates OAR 863-015-0125(11)(c)
12 (11-15-16 Edition). OAR 863-015-0125(11) allows a licensee to use the term "team" or "group"
13 to advertise if: (c) the licensee members of the team or group are associated with the same
14 principal broker.

15 1.9 b. Bobby Jo Crandall was advertised as Bobbi Jo Crandall, however, her
16 licensed name with the Agency is Barbara Jo Stevenson-Crandall. Laura Marcano was
17 advertised as Laura Marcano, yet her licensed name with the Agency is Laura Mercedes
18 Estrada-Marcano.

19 **(6) Violation:** By using the names Bobby Jo Crandall and Laura Marcano, instead of their
20 licensed names of Barbara Jo Stevenson-Crandall and Laura Mercedes Estrada-Marcano, Fox
21 violated ORS 696.301(3) as it incorporates OAR 863-015-0125(3)(a), and (11)(d) (11-15-2016
22 Edition). OAR 863-015-0125(3) requires advertising that includes the licensee's name must:
23 (a) use the licensee's licensed name. OAR 863-015-0125(11) allows a licensee to use the
24 term "team" or "group" to advertise if: (d) the licensee members of the team or group use each
25 licensee's licensed name as required under section (3) of this rule.

26 1.10 c. Troy Redinger (Redinger) was listed as a broker on the webpage.
27 Redinger's profile linked to the "Meet Our Team," webpage stated, "Troy is licensed in
28 Washington and Oregon." Redinger did not hold an active broker license in Oregon.

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1 **(7) Violation:** By stating Redinger was licensed in the State of Oregon, when Redinger did
2 not hold an active real estate broker license in Oregon, Fox violated ORS 696.301(3) as it
3 incorporates OAR 863-015-0125(2)(d), and (11)(e) (11-15-16 Edition). Per OAR 863-015-
4 0125: (2)(d) Advertisements may not state or imply that the licensee is qualified or has a level
5 of expertise other than as currently maintained by the licensee. (11) A licensee may use the
6 term "team" or "group" to advertise if: (e) If any non-licensed individuals are named in the
7 advertising, the advertising must clearly state which individuals are real estate licensees and
8 which ones are not.

9 1.11 d. The advertising for the team included the names Denny Le and Mary
10 Montgomery. It did not indicate if Denny Le and Mary Montgomery were licensed in Oregon or
11 unlicensed.

12 **(8) Violation:** By failing to indicate whether Denny Le or Mary Montgomery were real
13 estate licensees or non-licensed individuals, Fox violated ORS 696.301(3) as it incorporates
14 OAR 863-015-0125(2)(a), and (11)(e) (11-15-16 Edition). OAR 863-015-0125: (2)(a)
15 Advertising must be identifiable as advertising of a real estate licensee. (11) A licensee may
16 use the term "team" or "group" to advertise if: (e) If any non-licensed individuals are named in
17 the advertising, the advertising must clearly state which individuals are real estate licensees
18 and which ones are not.

19 FREG's Facebook.com webpage:

20 1.12 a. Fox's registered business name, KWRPP was not prominently displayed
21 and immediately noticeable. Further down the homepage, the registered business name was
22 partially displayed as "Keller Williams Realty Portland," rather than the full registered business
23 name of KWRPP.

24 **(9) Violation:** By failing to display the full registered business name that was immediately
25 noticeable and conspicuous on the FREG's Facebook.com page, Fox violated ORS
26 696.301(3) as it incorporates OAR 863-015-0125(4) (11-15-16 Edition) which requires the
27 registered business name of the principal real estate broker to be prominently displayed,
28 immediately noticeable and conspicuous in all advertising.

29 ///

30 ///

1 1.13 b. On November 16, 2017, a post was made stating, "FOX REAL ESTATE
2 GROUP HAS EXPANDED INTO BEND OR!" and "We are excited to announce our new
3 partner Brian Garrett in Bend, OR. We are happy to be in business with you. Welcome to the
4 team." Fox included Brian Garrett (Garrett) as a member of FREG, but Garrett's broker license
5 was associated with Keller Williams Central Oregon rather than KWRPP. Fox's registered
6 business name, KWRPP did not appear on the Facebook post.

7 **(10) Violation:** By advertising Garrett of Keller Williams Central on Facebook.com as part of
8 the FREG, Fox violated ORS 696.301(3) as it incorporates OAR 863-015-0125(11)(c) (11-15-
9 16 Edition). OAR 863-015-0125(11) allows a licensee to use the term "team" or "group" to
10 advertise if: (c) the licensee members of the team or group are associated with the same
11 principal broker.

12 **(11) Violation:** By omitting KWRPP on the advertisement announcing Garrett as part of
13 FREG, Fox violated ORS 696.301(3) as it incorporates ORS 696.026(7)(b) (2015 Edition) and
14 OAR 863-015-0125(4) (11-15-16 Edition). ORS 696.026(7) If a principal real estate broker has
15 a registered business name: (b)All professional real estate activity conducted by a real estate
16 licensee associated with the principal broker must be conducted under the registered business
17 name and registered business name of the principal real estate broker. OAR 863-015-0125(4)
18 requires the registered business name to be prominently displayed, immediately noticeable
19 and conspicuous in all advertising.

20 FREG's Google+ webpage:

21 1.14 a. Fox's registered business name KWRPP was not displayed. A property listing
22 sample reviewed for 0 NE 1117th Ave., Portland OR on the website did not display KWRPP.

23 **(12) Violation:** By failing to display the registered business name on the FREG's Google+
24 website and property listing on the website, Fox violated ORS 696.301(3) as it incorporates
25 ORS 696.026(7)(b) (2015 Edition) and OAR 863-015-0125(4) (11-15-16 Edition). ORS
26 696.026(7) If a principal real estate broker has a registered business name: (b)All professional
27 real estate activity conducted by a real estate licensee associated with the principal broker
28 must be conducted under the registered business name and registered business name of the
29 principal real estate broker. OAR 863-015-0125(4) requires the registered business name to
30 be prominently displayed, immediately noticeable and conspicuous in all advertising.

1 FREG's Twitter.com webpage:

2 1.15 a. Fox's registered business name, KWRPP was not displayed.

3 1.16 b. FREG's Twitter page shows 14 "tweets" posted between November 2,
4 2017 and December 2, 2017, where FREG advertised new property listings or open house
5 events. Each "tweet" displayed the FREG logo, but did not contain KWRPP.

6 **(13) Violation:** By failing to display the registered business name on the FREG Twitter.com
7 webpage and fourteen advertisements, Fox violated ORS 696.301(3) as it incorporates ORS
8 696.026(7)(b) (2015 Edition) and OAR 863-015-0125(4) (11-15-16 Edition). ORS 696.026(7) If
9 a principal real estate broker has a registered business name: (b)All professional real estate
10 activity conducted by a real estate licensee associated with the principal broker must be
11 conducted under the registered business name and registered business name of the principal
12 real estate broker. OAR 863-015-0125(4) requires the registered business name to be
13 prominently displayed, immediately noticeable and conspicuous in all advertising.

14 1.17 c. Two property listings advertised on the Twitter page for the following
15 properties: 1104 Hadley Rd., Newberg, OR and 14331 S. Morency Ln., Oregon City, omit
16 "Portland Premiere" portion from Fox's registered business name, KWRPP. The registered
17 business name on these two listings was not immediately noticeable and prominently
18 displayed.

19 **(14) Violation:** By failing to prominently display the full registered business name on the two
20 listings for 1104 Hadley Rd, and 14331 S Morency Ln., advertised on the twitter webpage Fox
21 violated ORS 696.301(3) as it incorporates OAR 863-015-0125(4) (11-15-16 Edition) which
22 requires the registered business name to be prominently displayed, immediately noticeable
23 and conspicuous in all advertising.

24 2.

25 2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.

26 2.2 The Agency reserves the right to investigate and pursue additional complaints
27 that may be received in the future regarding this licensee.

28 2.3 In establishing the violations alleged above, OREA may rely on one or more of
29 the definitions contained in ORS 696.010.

30 ///

1 STIPULATION & WAIVER

2 I have read and reviewed the above findings of fact and conclusions of law which have
3 been submitted to me by the Agency and further, the order which follows hereafter. I
4 understand that the findings of fact, conclusions of law and this stipulation and waiver embody
5 the full and complete agreement and stipulation between the Agency and me. I further
6 understand that if I do not agree with this stipulation I have the right to request a hearing on
7 this matter and to be represented by legal counsel at such a hearing. Hearings are conducted
8 in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the
9 Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon. I
10 freely and voluntarily waive my rights to a hearing, to representation by legal counsel at such a
11 hearing, and to judicial review of this matter.

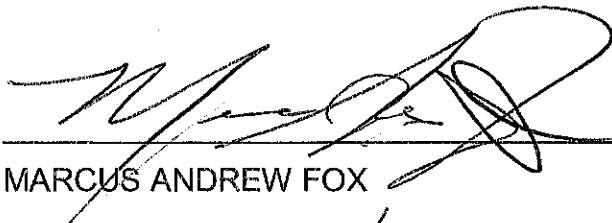
12 I hereby agree and stipulate to the above findings of fact and conclusions of law and
13 understand that the order which follows hereafter may be completed and signed by the Real
14 Estate Commissioner or may be rejected by the Real Estate Commissioner. I understand that,
15 in accordance with the provisions of ORS 696.445(3), notice of this order shall be published in
16 the Oregon Real Estate News Journal.

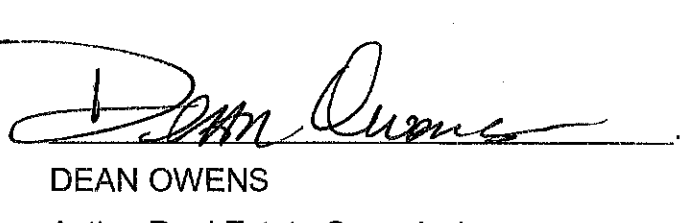
17 ORDER

18 IT IS HEREBY ORDERED that the principal broker license of Fox be, and hereby is
19 reprimanded.

20
21 IT IS SO STIPULATED:

IT IS SO ORDERED:

22
23 
24 _____
25 MARCUS ANDREW FOX

23 
24 _____
25 DEAN OWENS

26
27 Date 2/15/19

26 Acting Real Estate Commissioner
27 Date 02-21-2019

28
29 Date of Service: 2/21/2019
30

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4
5 In the Matter of the Broker License
6 of
7 MIMI MCCASLIN
8

STIPULATED FINAL ORDER

9
10 The Oregon Real Estate Agency (Agency) and Mimi McCaslin (McCaslin) do hereby
11 agree and stipulate to the following:

12 FINDINGS OF FACT

13 McCaslin was licensed as a broker with Luxe Platinum Properties. McCaslin's license
14 expired on April 1, 2018 and was not renewed until May 16, 2018. During the time McCaslin's
15 license was expired, April 1, 2018 to May 15, 2018, 45 days, McCaslin continued conducting
16 professional real estate activity as if actively licensed.

17 CONCLUSION OF LAW

18 By conducting professional real estate activity over the course of 45 days after
19 Mccaslin's license expired and before renewing it, McCaslin violated ORS 696.020(2) and is
20 subject to discipline or civil penalty pursuant to ORS 696.990(4) and (9).

21 STIPULATION & WAIVER

22 I have read and reviewed the above findings of fact and conclusions of law which have
23 been submitted to me by the Agency and further, the order which follows hereafter. I
24 understand that the findings of fact, conclusions of law and this stipulation and waiver embody
25 the full and complete agreement and stipulation between the Agency and me. I further
26 understand that if I do not agree with this stipulation I have the right to request a hearing on
27 this matter and to be represented by legal counsel at such a hearing. Hearings are conducted
28 in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the
29 Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon. I
30 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.

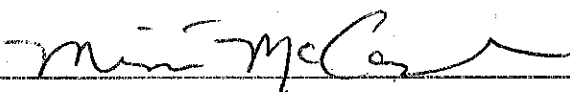
1 I hereby agree and stipulate to the above findings of fact and conclusions of law and
2 understand that the order which follows hereafter may be completed and signed by the Real
3 Estate Commissioner or may be rejected by the Real Estate Commissioner. I understand that,
4 in accordance with the provisions of ORS 696.445(3), notice of this order shall be published in
5 the Oregon Real Estate News Journal.

6 ORDER

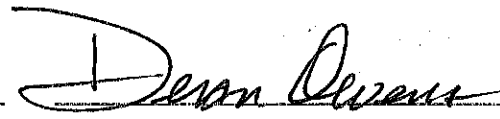
7 IT IS HEREBY ORDERED that pursuant to ORS 696.990(1) to (9) and based upon the
8 violation set forth above, McCaslin pay a civil penalty in the sum of \$ 100.00, said penalty to be
9 paid to the General Fund of the State Treasury by paying the same to the Agency. The civil
10 penalty is computed in accordance with ORS 696.990(4) and (9) in that each 30-day period of
11 unlicensed activity is considered one violation. In this instance, there was one 30-day period
12 of unlicensed activity.

13
14 IT IS SO STIPULATED:

IT IS SO ORDERED:

15
16
17 

18 MIMI MCCASLIN

16
17 

Dean Owens

Acting Real Estate Commissioner

19
20 Date Feb 12, 2019

Date 02-21-2019

21
22 Date of Service: 2/21/2019

**AGENDA ITEM NO.
VIII. B. 1.**

**REAL ESTATE BOARD
REGULATION DIVISION REPORT
April 1, 2019**

Regulation Division Manager: Selina Barnes
Compliance Specialists 3 (Compliance Coordinator): Deanna Hewitt, Rob Pierce
Financial Investigators (Investigator-Auditor): Jeremy Brooks, Aaron Grimes,
 Liz Hayes, Philip Johnson, Meghan Lewis, Lisa Montellano, Lindsey Nunes
Compliance Specialist 2: Carolyn Kalb
Compliance Specialists 1: Sue Davenhill, Denise Lewis
Administrative Specialist: Vacant

Division Overview

The Regulation Division receives complaints and determines validity and assignment for investigation. Investigators gather facts (from interviews and documents), prepare a detailed written report and submit to the Manager for review. The Manager determines whether the evidence supports charging a person with a violation of Agency statutes or administrative rules, as well the appropriate resolution. The Manager conducts settlement conferences to resolve cases without a contested case hearing. If a hearing is requested, the investigator works with the Assistant Attorney General in preparing for and presenting the case at hearing.

The Compliance Specialists are responsible for conducting: clients' trust accounts (CTA) mail-in reviews, expired activity investigations, and background check investigations. They also respond to inquiries regarding regulations and filing complaints from the public, licensees, and other governmental agencies.

Workload and Activity Indicators

<u>Average # in this Status at the time</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Complaint	40	44	33	25	20
Pending Assignment	3	4	24	16	26
Investigation	47	52	49	50	38
PENDING & INVESTIGATION	50	56	73	66	64
<i>(# of Investigators)</i>	6	7	7	7	7*
Admin Review	27	33	28	40	35

* One investigator on medical leave.

Selina Barnes presented "ATTENTION: Violation Prevention" in Florence on March 14th and in Eugene/Springfield on March 22nd. She will also be giving the presentation following this board meeting.

For information on investigations resulting in administrative actions, please review the "Administrative Actions Summary" section of the Board packet.

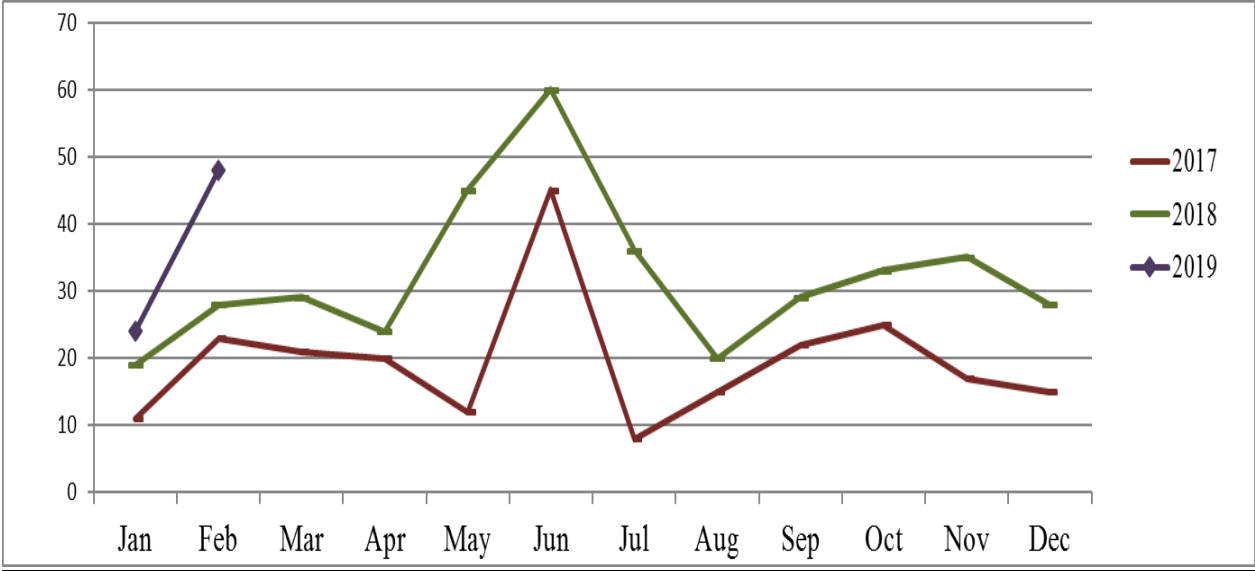
**Report to the Real Estate Board
Land Development Division
1 April 2019**

Division Manager: Michael Hanifin

Section Overview:

The Land Development Division reviews and approves filings related to condominiums, timeshares, subdivisions, manufactured home subdivisions, and membership campgrounds. The section reviews and approves the foundational documents creating these types of properties, as well as later amendments to those documents, to verify compliance with statutory requirements. We also issue the Disclosure Statement (sometimes referred to as a Public Report) required for sales of these interests to Oregonians. The Disclosure Statement summarizes key information about the condominium for the consumer, somewhat like the owner’s manual for a car.

Workload and Activity Indicators



Overall filing volume remains high and suggests this year may equal or exceed the filing volume seen last year. Of the nearly fifty filings made with the Land Development Division in February, eighteen were new condominiums (seeking approval so the declarant could record a new condominium).

Legislative Summary 2019 Regular Session

Agency Budget Bill

SB 5536 A – The budget bill was passed by the Senate with an amendment that increased biennial limitation by \$50,000. The increased limitation is intended to provide additional resources related to a change to Key Performance Measure (KPM) 2. KPM 2 currently targets completing 60% of investigations within 150 days. The revised target would be completing 80% of investigations within 150 days.

Status: Referred to House Ways and Means Committee on 3/19. No hearing scheduled at this time.

Agency Housekeeping Bill

HB 2275 - This is a minor housekeeping bill that clarifies in ORS 696.030(13) that vacation rentals are not subject to regulation. The clarification regarding vacation rentals is essentially removing the word “nonlicensed”, which we added inadvertently in our comprehensive cleanup of Chapter 696 during the 2017 session. No fiscal impact.

Status: This bill has passed from the House without amendment and is currently in the Senate Business and Government Committee. No hearing scheduled at this time.

Industry/Public Concepts

HB 2485 –This concept is a reorganization and tightening up of the filing process for condominiums. As initially drafted for the 2017 session, this bill did not have substantive changes to law and focused on process and timing for filing requirements. This concept also modernizes Chapter 100 to facilitate future translation of the condominium filing process from paper to digital. Hearing was held on 3/14, and the -2 amendment was introduced. There is a -3 amendment in process as well, which would be in addition to the -2. The -3 amendment was generated after the hearing and will be introduced at the work session. No fiscal impact.

Status: In the House Committee on Judiciary, work session scheduled for 3/26.

HB 2486 - This bill relates to the requirement of condominium unit owners associations to file annual reports with the agency. As background, every association is supposed to file an annual report with the agency. That report includes contact information for the chairperson, secretary, and agent. It also must be signed by two of the three, with one of them being the agent. This bill will change the signature requirement on annual reports from two signatures to one and make any changes necessary to ensure such annual reports can be filed digitally. These changes facilitate conversion of the annual reporting to an online format. No fiscal impact.

Status: In the House Committee on Judiciary, hearing held on 2/5, and work session scheduled for 3/26.

HB 2466 – This bill will require condominium associations to secure fidelity insurance under some circumstances. Impact on the Agency will be minimal, as we will simply have to look for provision for the insurance in the course of reviewing the bylaws. No fiscal impact on the Agency.

Status: In the House Committee on Judiciary. Hearing held on 3/14, work session scheduled for 3/26.

There are many bills this session related to affordability and availability of housing, and the agency is monitoring this legislation to determine future impacts. The first 2019 Legislative Session deadline is March 29th. By this point, all bills must have been scheduled for a work session or they become “dead bills”. This deadline is upcoming but will have occurred by the time of the Board meeting, so a further update will be presented at the meeting.

Licensing Statistics

Total Licensee Counts by Month:

Individuals (Persons)	Jan-19	Feb-19
Broker – Total	15,985	16,051
Active	14,110	14,107
Inactive	1,875	1,944
Principal Broker - Total	6,455	6,448
Active	6,046	6,029
Inactive	409	419
ALL BROKERS Total	22,440	22,499
Active	20,156	20,136
Inactive	2,284	2,363
Property Manager - Total	919	915
Active	792	788
Inactive	127	127
MCC Salesperson	26	24
MCC Broker	1	1
TOTAL INDIVIDUALS	23,386	23,439
Active	20,975	20,949
Inactive	2,411	2,490
Facilities (Companies)		
REMO	6	6
Registered Business Name (RBN)	3,922	3,907
Registered Branch Office (RBO)	749	748
Escrow Organization	61	57
Escrow Branch	146	146
PBLN	NA	NA
PMLN	NA	NA
CEP	289	295
MCC Operator	25	25
TOTAL FACILITIES	5,198	5,184
TOTAL INDIVIDUALS & FACILITIES	28,584	28,623

New Licenses by Month:

Individuals (Persons)	Jan-19	Feb-19
Broker	191	175
Principal Broker	15	7
TOTAL BROKERS	206	182
Property Manager	7	10
MCC Salesperson	1	1
MCC Broker	0	0
TOTAL INDIVIDUALS	214	193
Facilities (Companies)		
Continuing Education Provider (CEP)	2	6
REMO	0	0
Registered Business Name	55	31
Registered Branch Office	11	5
PBLN	NA	NA
PMLN	NA	NA
Escrow Organization	0	0
Escrow Branch	0	0
MCC Operator	0	0
TOTAL FACILITIES	66	36
TOTAL INDIVIDUALS & FACILITIES	280	229

Exam Statistics

February 2019
ALL LICENSING EXAMS

Total

Broker	379
Property Manager	16
Principal Broker	56
Reactivation	9

Pass Rates

<u>First Time Pass Rate</u> <u>Percentage</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Broker State	69	64	61	58	57
Broker National	78	74	73	72	72
Principal Broker State	62	59	58	59	52
Principal Broker National	78	75	76	77	77
Property Manager	59	64	69	67	63

Oregon Real Estate Agency
 Administrative Services Division
 Licensee Application & Renewal
 2018 Data

New Applications													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Brokers	322	303	352	353	302	325	271	293	270	236	260	231	3518
Principal Brokers	48	32	34	25	41	30	26	33	42	38	30	23	402
Property Managers	26	30	20	18	20	25	19	16	23	29	20	20	266
Total	396	365	406	396	363	380	316	342	335	303	310	274	4186

Renewed & Lapsed Licenses														
Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	453	430	469	483	481	469	483	464	496	492	436	499	5655
	Inactive	56	48	45	37	47	33	39	40	36	44	44	36	505
Late	Active	34	21	40	39	42	27	28	37	32	33	41	28	402
	Inactive	2	10	4	7	13	9	12	11	7	10	10	10	105
Lapse		96	80	97	87	113	84	87	96	88	109	68	81	1086
Total		641	589	655	653	696	622	649	648	659	688	599	654	7753

Principal Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	227	241	233	238	245	249	203	222	238	208	216	211	2731
	Inactive	11	10	10	17	15	17	15	12	8	8	14	12	149
Late	Active	8	8	12	16	13	12	12	11	14	9	12	8	135
	Inactive	1	2	2	3	2	3	1	4	2	2	1	3	26
Lapse		21	18	22	18	21	18	23	14	25	19	32	20	251
Total		268	279	279	292	296	299	254	263	287	246	275	254	3292

Oregon Real Estate Agency
Administrative Services Division
Phone Counts

(minutes: seconds)	Jan – 19	Feb – 19	Mar – 19	Apr – 19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov--19	Dec-19	2019 Average
Call Count	2251	1748											1999.5
Average Wait Time	:20	:21											:20.5
Maximum Wait Time	16:06	9:32											12:49

(minutes: seconds)	Jan – 18	Feb – 18	Mar – 18	Apr – 18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov--18	Dec-18	2018 Average
Call Count	2317	2006	2263	2063	2113	2084	1837	2049	1824	2153	1828	1738	2024
Average Wait Time	:22	:15	:17	:16	:16	:27	:21	:19	:21	:23	:17	:25	:20
Maximum Wait Time	5:32	3:23	8:58	7:05	13:27	12:18	14:40	12:53	10:26	13:22	7:41	10:07	8:29

(minutes: seconds)	Jan – 17	Feb – 17	Mar – 17	Apr – 17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	17-Nov	Dec-17	2017 Average
Call Count	2136	1944	2065	1766	1963	1939	1809	2009	1893	1968	1711	2051	1938
Average Wait Time	:45	:21	:23	:18	:17	:18	:23	:22	:16	:14	:16	:23	:21
Maximum Wait Time	28:13*	11:42	8:07	8:17	7:22	5:09	7:37	6:51	4:29	4:16	4:34	13:47	7:28

Real Estate Agency AY19 Budget – Biennium to Date (projections through 6/30/19)	<u>Legislative Approved Budget</u>	<u>Expected Total Expenditures for Biennium (current)</u>	<u>Expected Remaining Limitation at end of Biennium</u>
Total Personal Services	6,121,432	6,199,053	(77,621)
Services & Supplies and Capital Outlay Detail:			
In-State Travel & Out-of-State Travel	95,146	113,565	(18,419)
Employee Training	35,640	21,879	13,761
Office Expenses	113,231	38,493	74,738
Telecom/Tech Services & Support	29,024	51,887	(22,863)
State Government Services	205,532	203,878	1,654
Data Processing	85,296	104,148	(18,852)
Publicity & Publications	55,374	710	54,664
Professional Services & IT Professional Services	178,828	220,229	(41,401)
Attorney General Legal Fees	254,553	98,728	155,825
Employee Recruitment	7,464	250	7,214
Dues & Subscriptions	9,224	5,015	4,209
Facilities Rent & Taxes	245,290	228,678	16,612
Facilities Maintenance	4,354	1,771	2,583
Agency Program Related S&S	39,796	250	39,546
Other Services & Supplies	116,647	155,185	(38,538)
Expendable Property \$250-\$5000	28,081	6,615	22,466
IT Expendable Property	157,006	19,610	137,396
Total Services & Supplies and Capital Outlay	1,660,486	1,270,890	389,596
Totals	7,781,918	7,469,943	311,975