

AGENDA ITEM NO.

I.C.

Notice of Agency OREGON REAL ESTATE BOARD Regular Meeting Agenda Agency Office, Salem, Oregon April 1, 2024

Real Estate Agency 530 Center St. NE, Suite 100 Salem, Oregon 97301-2505

Phone: (503) 378-4170 www.oregon.gov/rea

I. BOARD BUSINESS - Chair Beal

- A. Call to Order
- B. Chair Beal comments/Roll Call
- C. Approval of the Agenda and Order of Business
- D. Approval of 2.5.24, regular meeting minutes
- E. Date of the Next Meeting: 6.03.24 to begin at 10am, Location: TBD Oregon Coast

II. PUBLIC COMMENT - Chair Beal

- 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. REQUESTS FOR WAIVERS - Chair Beal Waiver request log.

A. None

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER - Chair Beal.

A. Nova School of Real Estate

V. BOARD ADVICE/ACTION - Commissioner Strode

A. HB 4058

VI. NEW BUSINESS - Commissioner Strode

A. None

VII. COMMUNICATIONS - ADMINISTRATIVE ACTIONS SUMMARY - Chair Beal

VIII. REPORTS - Chair Beal

- A. Commissioner Strode
- B. Agency division reports-Deputy Commissioner Higley
 - 1. Regulation Division Elli Kataura
 - 2. Compliance Division Liz Hayes
 - 3. Land Development Division Michael Hanifin
 - 4. Administrative Services Division Mesheal Tracy
 - 5. Licensing & Education Division Anna Higley

IX. ANNOUNCEMENTS - Chair Beal. Next board meeting: 06.03.24 to begin at 10am, TBD - Oregon Coast

X. ADJOURNMENT - Chair Beal

Interpreter services, auxiliary aids for persons with disabilities, and access to attend remotely by videoconference are available upon advance request.



Real Estate Agency

530 Center St. NE, Suite 100 Salem, Oregon 97301-2505

Phone: (503) 378-4170 www.oregon.gov/rea

OREGON REAL ESTATE BOARD

Regular Meeting Minutes Video-conference - Online February 5, 2024 10:00 a.m.

BOARD MEMBERS PRESENT: LaTasha Beal

Michael Warren Jose Gonzalez Jessenia Juarez Tom Tapia Debra Neal Dawn Duerksen Stacy Ellingson James Komro

BOARD MEMBERS ABSENT: None

OREA STAFF PRESENT: Steve Strode, Commissioner

Anna Higley, Deputy Commissioner

Madeline Alvarado, Licensing & Education Division Manager

CITIZEN: Rosalie St. Clair, FIRPTA Solutions, Inc.

Charlie Esparza, Oregon Ethics Commission Molly Putnam, Oregon Ethics Commission Chris Brubaker, Oregon Ethics Commission

I. BOARD BUSINESS - Chair Beal

- A. Call to Order
- B. Chair Gonzalez comments/Roll Call
- C. Approval of the Agenda and Order of Business

MOTION TO APPROVE 2.5,2024 REGULAR MEETING AGENDA AS SUBMITTED BY JESSENIA JUAREZ SECONDED BY MICHAEL WARREN

MOTION CARRIED BY UNANIMOUS VOTE

D. Approval of 12.4.23, regular meeting minutes

MOTION TO APPROVE 12.4.23 REGULAR MEETING MINUTES AS SUBMITTED BY JOSE GONZALEZ SECONDED BY DAWN DUERKSEN

MOTION CARRIED BY UNANIMOUS VOTE

E. Date of the Next Meeting: 4.1.24 to begin at 10am, Location: Agency Office Salem

II. PUBLIC COMMENT - Chair Beal

A. None

III. REQUESTS FOR WAIVERS - Chair Beal

A. None

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER -Chair Beal

A. FIRPTA Solutions, Inc.

MOTION TO APPROVE FIRPTA Solutions, Inc. FOR CONTINUING EDUCATION PROVIDER BY MICHAEL WARREN SECONDED BY DAWN DUERKSEN MOTION CARRIED BY UNANIMOUS VOTE

V. BOARD ADVICE/ACTION - Commissioner Strode

A. None

VI. NEW BUSINESS - Commissioner Strode

- A. Board Member Authored OREN-J Articles
- B. Ethics Training Oregon Ethics Commission Charlie Esparza

VII. COMMUNICATIONS - ADMINISTRATIVE ACTIONS SUMMARY - Chair Gonzalez



Real Estate Agency

530 Center St. NE, Suite 100 Salem, Oregon 97301-2505 Phone: (503) 378-4170

www.oregon.gov/rea

VIII. REPORTS - Chair Beal

- A. Commissioner Strode
- B. Agency division reports-Refer to board packet
- **IX. ANNOUNCEMENTS Chair Beal** Next board meeting: 4.1.24 to begin at 10am, Agency Office Salem
- X. ADJOURNMENT Chair Beal

Interpreter services, auxiliary aids for persons with disabilities, and access to attend remotely by videoconference are available upon advance request.

IMPORTANT - PLEASE READ

You must be able to comply with the requirements of a Certified Continuing Education Provider if the Board approves your or your company's qualifications.

When offering a course eligible for real estate continuing education credit, a Certified Continuing Education Provider **MUST** comply with **ALL** of the following requirements:

- Ensure the course is within the scope of one or more course topics listed in OAR 863-020-0035(3) or is the three-hour Law and Rule Required Course "LARRC" approved by the Board pursuant to OAR 863-022-0055. The Agency will not determine whether individual courses or classes are within the scope of an eligible course topic.
- Identify to real estate licensees which course topic(s) the offered course covers, or if the course is the three-hour Law and Rule Required Course "LARRC" under 863-022-0055, the Broker Advanced Practices course under OAR 863-022-0020, the Property Manager Advanced Practices course under 863-022-0055, or the Brokerage Administration and Sales Supervision course under OAR 863-022-0025.
- Ensure the minimum length of the course is one hour as required under OAR 863-020-0007.
- Assign a four-digit identifying course number to the course. (Any assignment of four numbers is acceptable. Each course must have its own number. Letters are not to be included in a course "number.")
- Ensure the course meets the learning objective requirements contained in OAR 863-020-0045. The Agency does not review or approve learning objectives.
- Ensure that the instructor who teaches a continuing education course offered for credit:
 - Meets the requirements set forth in ORS 696.186, and
 - Has completed and signed the Continuing Education Instructor Qualifications Form as required by OAR 863-020-0060.
- Obtain a copy of the completed and signed Continuing Education Instructor Qualifications Form for each instructor for your records per OAR 863-020-0050 and OAR 863-020-0060.
- Maintain records of each offered course as required by ORS 696.184(c) and OAR 863-020-0055 for three years from the date the course was provided.
- Upon completion of an eligible course, provide each licensee who attends the course a completed Certificate of Attendance that includes all of the information required under OAR 863-020-0050(5), including licensee name and license number.

If petitioner is not able to comply with any of the above requirements, you may wish to consider being an instructor for an already certified provider. Visit the Agency's <u>website</u> for further information on instructor qualifications.



PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER

Rev. 3/2022

Real Estate Agency 530 Center St. NE Ste. 100 Salem OR 97301 Phone: (503) 378-4170

INSTRUCTIONS

To petition the Real Estate Board for approval of qualifications to become an applicant for certification as a continuing education provider, the petitioner must complete this form and submit it by e-mail to madeline.c.alvarado@rea.oregon.gov a least 21 days before the next scheduled Board meeting at which the applicant wishes the Board to act.

IMPORTANT:

- If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.
- All information and documents submitted as part of this petition become part of the Board Packet, and therefore, public record.
- Petitioners will need to appear before the Board. This may be done in person or by phone. Once the
 Agency receives this completed petition, a letter will be sent to the petitioner with the date of the Board
 meeting the petitioner will need to attend.
- Please do not submit any class or course information as the Oregon Real Estate Agency Board is not able to review or consider this information.

If the Board approves this petition, the Agency will email a letter to the petitioner, confirming the Board's approval. The petitioner may then apply for certification as a continuing education provider under OAR 863-020-0030.

PETITIONER				
Name Nova School of Real Estate			Phone Number 520-202-5222	
Physical Address 6245 E Broadway Blvd		Address Cont. S	TE 400	
City Tucson	State AZ	Zip Code 85711	County Pima	
E-mail educationexchange@novahomele	oans.com			
Mailing Address (if different)		Address Cont.		
City	State	Zip Code	County	
AUT	THORIZED C	ONTACT PERSON		
Prefix Mr First Name Thomas		Last Name	Higgins	
Phone Number 520-202-5222	E-mail	tom.higgins@novah	nomeloans.com	
Indicate who will appear before the board on behalf of the Petitioner:	TI	nomas Higgins		
AGENCY USE ONLY				
Approved by Board YES NO				
Review Date				

PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

QUALIFICATION INFORMATION

Provide below sufficient information about the petitioner to allow the Board to determine whether the petitioner qualifies for certification. If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.

Information **MUST** include one or both of the following:

You may attach up to three (3) additional pages if necessary.

- Petitioner's demonstrated expertise and experience in providing educational courses to real estate licensees.
- Petitioner's demonstrated experience and expertise in two or more course topics eligible for continuing education credit under OAR 863-020-0035.

Please see attached

PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

AUTHORIZATION AND ATTESTATION

- I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.
- I certify that petitioner, or authorized individual on petitioner's behalf, has read, understands and
- is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.
- I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0050.
- I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.

I UNDERSTAND:				
	Initials	Date Completed	Agency Use Only	
I will complete the Continuing Education Provider Application and will pay the \$300 fee upon Board approval.	TEH	1/12/2024	ND	
I understand the requirements of an education provider as outlined in Oregon Administrative Rules (OAR) Chapter 863, Division 20.	TEH	1/12/2024	ND	
Petitioner has demonstrated their experience and expertise in two or more course topics eligible for continuing education credit as listed in OAR 863-020-0035.	TEH	3/14/2024	ND	
Petitioner has demonstrated their experience in providing educational courses to real estate licensees.	TEH	3/14/2024	ND	

Thomas Higgins	Dat	Date: 03/14/2024		
Printed Name of Authorized Individual				
Thomas Higgins				
Signature of Authorized Individual				
	Rese	t Print Form		



For your consideration,

Nova Home Loans a mortgage lender with brick-and-mortar locations in Arizona, Colorado, Nevada, Washington, Oregon, California, as well as licenses to originate in 15 other states. The Nova School of Real Estate 'The Education Exchange' is the educational division of Nova Home Loans.

The Education Exchange initially started offering Continuing Education Credits in partnership with the Arizona Department of Real Estate in 2009. In 2015 we started offering CE credits with our affiliate branches in Colorado and Nevada with their respective governing bodies. Our goal is to provide current relevant information to our referral business partners within the individual state specific guidelines.

Since our inception, we have offered over 65 different approved continuing education courses in our current states and have over 30 instructors offering state(s) approved courses on loan program specifics regarding FHA/VA loans, Conventional loan practices, Reverse Mortgages, Market trends including Government mortgage compliance related concerns, Credit Lending specifics as well as realtor professional directed courses on Cybersecurtiy and Realtor Safety. Our course catalog consists of General and Legal Continuing Education categories currently in a 3 HR CE format. Our class instruction focuses on the pertinent information of the course, and not promotion of parent company or product.

Course offering under 863-020-0035 description for Continuing Education Providers:

- **Real Estate Consumer Protection (i)**
 - RESPA Essentials
 - Real Estate Mortgage Fraud How to Identify
 - Legal Issues in RE transactions and Credit
 - Cybersecurity and Real Estate concerns in today's digital market
 - Impact on Credit in the mortgage transaction
- Real Estate property evaluation, appraisal, or evaluation (n)
 - Understanding Appraisals
- Fair Housing Laws or Policy (o)
 - o Fair Housing Program
 - Fair Housing and the 203K
- Real Estate Finance (t)
 - Compliance and the FHA loan
 - Conventional Financing
 - Working with HUD homes
 - Reverse Mortgage features and legal issues

- o Impact on Credit in the mortgage transaction
- Using the VA loan
- Buyer Qualification made easy.
- USDA Fundamentals

Any documentation required regarding the statements above can be provided upon request. Included in this request is a sample of our school policy for the mentioned states. If there is any follow up request needed, please advise. Thank you for your consideration.

Thomas Higgins



Enrolled House Bill 4058

Sponsored by Representative BREESE-IVERSON, Senators ANDERSON, MEEK; Representatives CATE, GOODWIN, HELFRICH, JAVADI, LEVY B, MARSH, OSBORNE, OWENS, RESCHKE, STOUT, WRIGHT, YUNKER, Senators KNOPP, PATTERSON, SMITH DB (Presession filed.)

CHAPTER	

AN ACT

Relating to regulated real estate activities; creating new provisions; and amending ORS 696.010, 696.581, 696.730, 696.800, 696.805, 696.810, 696.815 and 696.840.

Be It Enacted by the People of the State of Oregon:

RESIDENTIAL PROPERTY WHOLESALING

SECTION 1. Definitions. As used in sections 1 to 9 of this 2024 Act:

- (1) "Market" means to advertise, or contract with another person or entity to advertise, or to solicit purchasers for the purchase of property either publicly or privately.
- (2) "Residential property" means real property zoned for residential use, or an existing condominium unit as defined in ORS 100.005.
- (3) "Residential property wholesaler" means any individual who engages in residential property wholesaling and is registered as a residential property wholesaler under section 3 of this 2024 Act.
- (4) "Residential property wholesaling" means to market residential property for which the marketer has only an equitable interest or an option to purchase and, at the time of marketing, the marketer has:
 - (a) Held such interest or option for fewer than 90 days; and
- (b) Invested less than \$10,000 in land development or improvement costs associated with the residential property.
- SECTION 2. Registration requirement; exemptions. (1) Except as provided in subsections (4) and (6) of this section, a person may not engage in residential property wholesaling unless that person, or, if that person is an entity, the individual conducting residential property wholesaling activity on that person's behalf, is registered as a residential property wholesaler under section 3 of this 2024 Act.
- (2) This section applies to every person who conducts residential property wholesaling related to property located in this state.
- (3) One act or transaction of residential property wholesaling is sufficient to constitute engaging in residential property wholesaling within the meaning of this section.
- (4) An individual licensed under ORS 696.022 may engage in residential property whole-saling without registering as a residential property wholesaler only if that individual provides

proper written disclosure to any potential buyers or sellers of all residential property wholesale transactions.

- (5) For purposes of this section, the Real Estate Agency shall establish the standards for proper written disclosure requirements for individuals licensed under ORS 696.022 who engage in residential property wholesaling.
- (6) The requirement to register as a residential property wholesaler does not apply to a person:
 - (a) Who is licensed under ORS 696.022 and is engaging in professional real estate activity;
- (b) Who is an attorney at law rendering services in the performance of duties as an attorney at law;
- (c) Who acts in the person's official capacity as a receiver, a conservator, a trustee in bankruptcy, a personal representative or a trustee, or a regular salaried employee of the trustee, acting under a deed of trust, will or trust agreement, provided that the trustee does not use the trust agreement as a device to engage in residential property wholesaling without obtaining the necessary registration;
- (d) Who acts as attorney in fact under a duly executed power of attorney in which the authorized agent is the spouse of the principal, or the child, grandchild, parent, grandparent, sibling, aunt, uncle, niece or nephew of the principal or of the spouse of the principal, authorizing real estate activity if the power of attorney is recorded in the office of the recording officer for the county in which the real estate to be sold, leased or exchanged is located; or
- (e) Who acts as attorney in fact under a duly executed power of attorney from the owner or purchaser authorizing the supervision of the closing of or supervision of the performance of a contract for the sale, lease or exchange of real estate if the power of attorney was executed prior to July 1, 2002, in compliance with the requirements of law at the time of execution or if:
- (A) The power of attorney is recorded in the office of the recording officer for the county in which the real estate is located;
 - (B) The power of attorney specifically describes the real estate; and
- (C) The person does not use the power of attorney as a device to engage in residential property wholesaling without obtaining the necessary registration.
- SECTION 3. Residential property wholesaler registration; requirements; rules. (1) The Real Estate Agency may issue a residential property wholesaler registration only to an individual.
- (2) In accordance with any applicable provisions of ORS chapter 183, the Real Estate Commissioner shall establish by rule a system to register residential property wholesalers. Such a system shall include but need not be limited to prescribing:
- (a) The form and content of and the times and procedures for submitting an application for the issuance or renewal of registration.
- (b) The term of the registration and the fee for the initial issuance and renewal in an amount that does not exceed the maximum amount described in section 4 of this 2024 Act.
- (c) Those actions or circumstances that constitute failure to achieve or maintain registration or competency or that otherwise constitute a danger to the public interest and for which the commissioner may refuse to issue or renew or may suspend or revoke a registration or may impose a penalty.
 - (3) For an applicant to qualify for registration, the commissioner must receive:
- (a) Certification that the applicant has a high school diploma or a certificate for passing an approved high school equivalency test such as the General Educational Development (GED) test or the international equivalent, or other equivalent education acceptable to the commissioner;
 - (b) Certification that the applicant is at least 18 years of age; and

- (c) A list of all entities, business names and assumed business names under which the applicant has conducted or will conduct residential property wholesaling activity, along with evidence that all business names and assumed business names are registered with the Secretary of State and all entities, including foreign entities, are authorized by the Secretary of State to transact business in this state.
- (4) Registration for residential property wholesalers shall be granted only if the applicant is trustworthy and competent to conduct residential property wholesaling in such manner as to safeguard the interests of the public and only after satisfactory proof has been presented to the commissioner. As used in this subsection, "satisfactory proof" includes but is not limited to a criminal records check of the applicant under ORS 181A.195. For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the commissioner may require the fingerprints of the applicant.
- <u>SECTION 4.</u> The Real Estate Commissioner, with the approval of the Oregon Department of Administrative Services, may prescribe the fees that the Real Estate Agency may charge for activities listed under this section, subject to the following maximum amounts:
- (1) For initial issuance of residential property wholesaler registration under section 3 of this 2024 Act, \$300; and
- (2) For renewal of residential property wholesaler registration under section 3 of this 2024 Act, \$300.
- <u>SECTION 5.</u> <u>Disclosure requirements.</u> (1) Residential property wholesalers shall provide a residential property wholesaler written disclosure:
- (a) To any potential buyers and sellers before entering into a written contract for a residential property wholesale transaction;
- (b) To any individual licensed under ORS 696.022 who is engaged to assist the residential property wholesaler in marketing or listing the property;
- (c) To any individual licensed under ORS 696.022 who is assisting a potential buyer in purchasing the property; and
- (d) In all advertising related to the residential property that is the subject of a residential property wholesale transaction.
- (2) For purposes of this section, the Real Estate Agency shall establish the standards for proper residential property wholesaler written disclosure requirements under this section. The disclosure must be in at least 10-point bold type, must contain information prescribed by the Real Estate Commissioner and at a minimum must state that the residential property wholesaler or, if applicable, the entity on behalf of which the residential property wholesaler is conducting residential property wholesaling:
 - (a) Is a residential property wholesaler;
 - (b) Has only an equitable interest in the property being sold;
- (c) Does not have legal title to the property and therefore might be unable to directly transfer title to the buyer;
- (d) Might not be a licensed real estate broker or principal broker and therefore might not be permitted to engage in professional real estate activity; and
- (e) Might not be a licensed appraisal specialist and therefore might not be permitted to provide an opinion as to the value of the property.
- (3) A seller or buyer who enters into a written contract for a residential property wholesale transaction may cancel the contract without penalty by delivery of a written notice of cancellation any time before 12 midnight at the end of the third business day after the receipt of the residential property wholesaler written disclosure. The right of cancellation granted by this subsection may not be waived. Upon cancellation, all earnest money or deposits shall be returned to the person who provided the earnest money or deposit.
- (4) If the residential property wholesaler fails to provide a residential property wholesaler written disclosure to the seller before entering into a written contract for a residential property wholesale transaction, the seller may terminate the contract at any time without

penalty and retain any earnest money or deposit paid to the seller or deposited in escrow by the residential property wholesaler. An escrow agent may disburse the earnest money or deposit to the seller without the need for separate written instructions from the residential property wholesaler if:

- (a) The seller in writing asserts that the residential property wholesaler written disclosure was not provided to the seller before entering into the written contract for the residential property wholesale transaction and demands disbursement to the seller of all deposits held by the escrow agent; and
- (b) The seller has provided the escrow agent with a written release and indemnification against all liability arising from the disbursement of the earnest money and deposits to the seller.
- (5) If the residential property wholesaler fails to provide a residential property wholesaler written disclosure to the seller or buyer, and if the purchase and sale agreement is terminated as a result, the wholesaler shall be liable for damages incurred by seller and buyer.
- (6) In any mediation or arbitration proceeding or civil action between buyer and seller, between buyer and residential property wholesaler or between seller and residential property wholesaler that arises due to the residential property wholesaler's failure to provide a residential property wholesaler written disclosure before entering into a written contract for a residential property wholesale transaction as prescribed under this section, the prevailing party is entitled to recover all reasonable attorney fees, costs and expenses incurred at trial, on appeal, at mediation and at arbitration from the residential property wholesaler.

SECTION 6. Grounds for disciplinary action. The Real Estate Commissioner may suspend or revoke registration of any residential property wholesaler, deny the issuance or renewal of registration to an applicant, or prohibit an individual licensed under ORS 696.022 from engaging in residential property wholesaling as otherwise provided in section 2 (4) of this 2024 Act if the wholesaler, applicant or individual has done any of the following:

- (1) Knowingly or negligently pursued a course of material misrepresentation in matters related to residential property wholesaling, whether or not damage or injury resulted, or knowingly or negligently made any material misrepresentation or material false promise in a matter related to residential property wholesaling if the material misrepresentation or material false promise created a reasonable probability of damage or injury, whether or not damage or injury actually resulted.
- (2) Procured or attempted to procure a residential property wholesaler registration by fraud, misrepresentation or deceit or by making any material misstatement of fact in an application for a residential property wholesaler registration.
 - (3) Violated a provision of section 2 or 5 of this 2024 Act.
- (4) Engaged in any act or conduct, whether of the same or of a different character specified in this subsection, that constitutes or demonstrates bad faith, incompetence, untrustworthiness or dishonest, fraudulent or improper dealings.

SECTION 7. Investigation. (1) The Real Estate Commissioner may investigate either upon complaint or otherwise whenever it appears that a person has conducted residential property wholesaling in violation of sections 2 to 6 of this 2024 Act.

(2) If upon investigation it appears that the person has violated a provision of sections 2 to 6 of this 2024 Act, the commissioner may, in addition to any other remedies, bring action in the name and on behalf of the State of Oregon against such person to enjoin such person from continuing any act in violation of sections 2 to 6 of this 2024 Act.

SECTION 8. Penalties. (1) Knowingly violating any of the provisions of section 2, 5 or 6 of this 2024 Act is a Class A misdemeanor.

(2) Any officer, director, shareholder, member, manager or agent of a corporation, limited liability company, partnership or association, who personally participates in or is an accessory to any violation of section 2, 5 or 6 of this 2024 Act by the corporation, limited li-

ability company, partnership or association, is subject to the penalties prescribed in subsection (1) of this section.

- (3) Any person that violates section 2 of this 2024 Act may be required by the Real Estate Commissioner to forfeit and pay to the General Fund of the State Treasury a civil penalty in an amount determined by the commissioner of:
- (a) Not less than \$1,000 nor more than \$2,500 for the first offense of unregistered residential property wholesaling activity; and
- (b) Not less than \$2,500 nor more than \$5,000 for the second and subsequent offenses of unregistered residential property wholesaling activity.
- (4) In addition to the civil penalty set forth in subsection (3) of this section, any person that violates section 2 of this 2024 Act may be required by the commissioner to forfeit and pay to the General Fund of the State Treasury a civil penalty in an amount determined by the commissioner, but not to exceed the amount by which such person profited in any transaction that violates section 2 of this 2024 Act.
- (5) No person engaging in residential property wholesaling activity may maintain any suit or action in any of the courts of this state to enforce any claim arising out of residential property wholesaling activity without alleging and proving that the person was registered, or exempt from registering, under section 3 of this 2024 Act.
- (6) The civil penalty provisions of subsections (3) and (4) of this section are in addition to and not in lieu of the criminal penalties for unregistered residential property wholesaling activity provided by subsections (1) and (2) of this section.
- (7) For the purposes of subsection (3) of this section, any violation of section 2 of this 2024 Act that results from a failure of a residential property wholesaler to renew their registration within the time allowed by law constitutes a single offense of residential property wholesaling activity without registration for each 30-day period after the lapse of registration during which the individual engages in residential property wholesaling activity. A civil penalty imposed for a violation of section 2 of this 2024 Act that results from a failure of a residential property wholesaler to renew their registration within the time allowed by law is not subject to the minimum dollar amounts specified in subsection (3) of this section.
- (8) Subsection (4) of this section does not apply to a violation of section 2 of this 2024 Act that results from a failure of a residential property wholesaler to renew their registration within the time allowed by law.
- (9) Subsection (4) of this section does not apply to a violation of section 2 of this 2024 Act that results from a failure of an individual licensed under ORS 696.022 to renew a license within the time allowed by law.
- (10) This section does not apply to escrow agents licensed under ORS 696.511 or to their employees engaged in rendering escrow services in the performance of duties as an escrow agent.
 - (11) Civil penalties under this section shall be imposed as provided in ORS 183.745.
- SECTION 9. Commissioner's order against unregistered residential property wholesaler.

 (1) Whenever the Real Estate Commissioner finds that a person is offering to engage in residential property wholesaling activity without registering as a residential property wholesaler and the person is required to register under section 2 of this 2024 Act, the com-
- wholesaler and the person is required to register under section 2 of this 2024 Act, the commissioner may, subject to ORS chapter 183, issue an order directing the person to cease and desist from offering to engage in or engaging in residential property wholesaling activity.
 - (2) A cease and desist order issued under subsection (1) of this section must include:
 - (a) A statement of the facts constituting the violation.
- (b) A provision requiring the person named in the order to cease and desist from the violation.
 - (c) The effective date of the order.
- (d) A notice to the person named in the order of the right to a contested case hearing under ORS chapter 183.

(3) A cease and desist order issued under subsection (1) of this section becomes effective 30 days after the date of the order unless the person named in the order requests a hearing on the order.

SECTION 10. ORS 696.010 is amended to read:

696.010. As used in ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870, 696.990 and 696.995 and sections 1 to 9 of this 2024 Act, unless the context requires otherwise:

- (1) "Associated with" means to be employed, engaged or otherwise supervised by, with respect to the relationship between:
 - (a) A real estate broker and a principal real estate broker;
 - (b) A licensed real estate property manager and a principal real estate broker; or
 - (c) A licensed real estate property manager and another licensed real estate property manager.
- (2) "Bank" includes any bank or trust company, savings bank, mutual savings bank, savings and loan association or credit union that maintains a head office or a branch in this state in the capacity of a bank or trust company, savings bank, mutual savings bank, savings and loan association or credit union.
- (3)(a) "Branch office" means a business location, other than the main office designated under ORS 696.200, where professional real estate activity is regularly conducted or that is advertised to the public as a place where professional real estate activity may be regularly conducted.
- (b) Model units or temporary structures used solely for the dissemination of information and distribution of lawfully required public reports shall not be considered branch offices. A model unit means a permanent residential structure located in a subdivision or development used for such dissemination and distribution, so long as the unit is at all times available for sale, lease, lease option or exchange.
- (4) "Business day" means a day other than Saturday or Sunday or a federal or State of Oregon legal holiday.
- (5) "Commingle" means the mixing of funds from any source, including personal funds, with trust funds as defined in ORS 696.241, by a licensed real estate property manager or principal real estate broker, except as specifically authorized by this chapter.
- (6) "Compensation" means valuable consideration for services rendered or to be rendered, whether contingent or otherwise.
- (7) "Competitive market analysis" means a method or process used by a real estate licensee in pursuing a listing agreement or in formulating an offer to acquire real estate in a transaction for the sale, lease, lease-option or exchange of real estate. The objective of competitive market analysis is a recommended listing, selling or purchase price or a lease or rental consideration. A competitive market analysis may be expressed as an opinion of the value of the real estate in a contemplated transaction. Competitive market analysis may include but is not limited to an analysis of market conditions, public records, past transactions and current listings of real estate.
- (8) "Expired" means, in the context of a real estate licensee, that the license has not been renewed in a timely manner, but may still be renewed.
- (9) "Inactive" means, in the context of a real estate licensee, that the licensee is not authorized to engage in professional real estate activity. The inactive status of a license continues until the license is reactivated or the license expires or lapses.
- (10) "Lapsed" means, in the context of a real estate licensee, that the license has not been renewed in a timely manner and is not eligible for renewal.
 - (11) "Letter opinion" has the meaning given that term in ORS 696.294.
- (12) "Licensed real estate property manager" means an individual who holds an active real estate property manager's license issued under ORS 696.022.
- (13) "Main office" means the office designated by a principal real estate broker or licensed real estate property manager pursuant to ORS 696.200.
 - (14) "Management of rental real estate" means:
- (a) Representing the owner of real estate under a property management agreement in the rental or lease of the real estate and includes but is not limited to:

- (A) Advertising the real estate for rent or lease;
- (B) Procuring prospective tenants to rent or lease the real estate;
- (C) Negotiating with prospective tenants;
- (D) Accepting deposits from prospective tenants;
- (E) Checking the qualifications and creditworthiness of prospective tenants;
- (F) Charging and collecting rent or lease payments;
- (G) Representing the owner in inspection or repair of the real estate;
- (H) Contracting for repair or remodeling of the real estate;
- (I) Holding trust funds or property received in managing the real estate and accounting to the owner for the funds or property;
 - (J) Advising the owner regarding renting or leasing the real estate;
- (K) Providing staff and services to accommodate the tax reporting and other financial or accounting needs of the real estate;
 - (L) Providing copies of records of acts performed on behalf of the owner of the real estate; and
- (M) Offering or attempting to do any of the acts described in this paragraph for the owner of the real estate; or
- (b) Representing a tenant or prospective tenant when renting or leasing real estate for which a real estate property manager has a property management agreement with the owner of the real estate and includes but is not limited to:
 - (A) Consulting with tenants or prospective tenants about renting or leasing real estate;
 - (B) Assisting prospective tenants in renting or leasing real estate;
 - (C) Assisting prospective tenants in qualifying for renting or leasing real estate;
- (D) Accepting deposits or other funds from prospective tenants for renting or leasing real estate and holding the funds in trust for the prospective tenants;
 - (E) Representing tenants or prospective tenants renting or leasing real estate; and
- (F) Offering or attempting to do any of the acts described in this paragraph for a tenant or prospective tenant.
 - (15) "Nonlicensed individual" means an individual:
 - (a) Who has not obtained a real estate license; or
 - (b) Whose real estate license is lapsed, expired, inactive, suspended, surrendered or revoked.
- (16) "Principal real estate broker" means an individual who holds an active license as a principal real estate broker issued under ORS 696.022.
- (17) "Professional real estate activity" means any of the following actions, when engaged in for another and for compensation or with the intention or in the expectation or upon the promise of receiving or collecting compensation, by any person who:
 - (a) Sells, exchanges, purchases, rents or leases real estate;
 - (b) Offers to sell, exchange, purchase, rent or lease real estate;
- (c) Negotiates, offers, attempts or agrees to negotiate the sale, exchange, purchase, rental or leasing of real estate;
 - (d) Lists, offers, attempts or agrees to list real estate for sale;
- (e) Offers, attempts or agrees to perform or provide a competitive market analysis or letter opinion, to represent a taxpayer under ORS 305.239 or 309.100 or to give an opinion in any administrative or judicial proceeding regarding the value of real estate for taxation, except when the activity is performed by a state certified appraiser or state licensed appraiser;
 - (f) Auctions, offers, attempts or agrees to auction real estate;
 - (g) Buys, sells, offers to buy or sell or otherwise deals in options on real estate;
 - (h) Engages in management of rental real estate;
- (i) Purports to be engaged in the business of buying, selling, exchanging, renting or leasing real estate;
- (j) Assists or directs in the procuring of prospects, calculated to result in the sale, exchange, leasing or rental of real estate;

- (k) Assists or directs in the negotiation or closing of any transaction calculated or intended to result in the sale, exchange, leasing or rental of real estate;
- (L) Except as otherwise provided in ORS 696.030 (12), advises, counsels, consults or analyzes in connection with real estate values, sales or dispositions, including dispositions through eminent domain procedures;
- (m) Advises, counsels, consults or analyzes in connection with the acquisition or sale of real estate by an entity if the purpose of the entity is investment in real estate; or
 - (n) Performs real estate marketing activity as described in ORS 696.600.
- (18) "Property management agreement" means a written contract for the management of rental real estate between a real estate property manager and the owner of the rental real estate.
- (19) "Real estate" includes leaseholds and licenses to use including, but not limited to, timeshare estates and timeshare licenses as defined in ORS 94.803, as well as any and every interest or estate in real property, whether corporeal or incorporeal, whether freehold or nonfreehold, whether held separately or in common with others and whether the real property is situated in this state or elsewhere.
- (20) "Real estate broker" means an individual who holds an active license as a real estate broker issued under ORS 696.022.
- (21) "Real estate licensee" means an individual who holds an active license or an active limited license as a real estate broker, principal real estate broker or licensed real estate property manager.
- (22) "Real estate property manager" means a real estate licensee who engages in the management of rental real estate and is a licensed real estate property manager, a principal real estate broker or a real estate broker who is associated with and supervised by a principal real estate broker.
- (23) "Registered business name" means a name registered with the Real Estate Agency under which the individual registering the name engages in professional real estate activity.

SECTION 11. ORS 696.581 is amended to read:

- 696.581. (1) An escrow agent may not accept funds, property or documents in any escrow transaction without dated, written escrow instructions from the principals to the transaction or a dated executed agreement in writing between the principals to the transaction.
- (2) Except as provided in this section, an escrow agent must follow dated, written escrow instructions executed by the principals or a dated executed written agreement between the principals to a transaction.
- (3) Except as provided in ORS 314.258, an escrow agent may not close an escrow or disburse any funds or property in an escrow without obtaining dated, separate escrow instructions in writing from the principals to the transaction adequate to administer and close the transaction or, in the case of disbursement, to disburse the funds and property.
- (4) The following statement or its substantial equivalent shall appear on or be attached to all written escrow instructions prepared by an escrow agent for signature of the principals to a transaction. The statement shall be in at least 10-point bold type. The statement shall either appear immediately above the signatures of the principals or be separately initialed by the principals:

It is understood by the parties signing the above or attached instructions that the instructions are the complete instructions between this firm as an escrow agent and you as a principal to the escrow transaction. These instructions may not include all the terms of the agreement which is the subject of this escrow. Read these instructions carefully, and do not sign them unless they are acceptable to you.

(5) An escrow agent may not solicit or accept any original, amended or supplemental escrow instructions containing any blank to be filled in after signing. An escrow agent may not allow any

alteration of original, amended or supplemental escrow instructions, unless the alteration is signed or initialed by all principals who signed or initialed the instructions before the alteration.

- (6) An escrow agent may accept trust funds, in excess of earnest money required in transaction documents to be held, as individual funds of the principal who has paid them into escrow. Such individual trust funds may be disbursed with only the separate written instructions of the principal who deposited the funds into escrow.
- (7) An escrow agent may open a one-sided escrow, as defined by rule by the Real Estate Commissioner, by receiving the funds, property or documents for an escrow. Such escrow funds may be disbursed with only the separate written instructions of the principal who deposited the funds into escrow.
- (8) Except as authorized in ORS 105.475 and section 5 (4) of this 2024 Act, notwithstanding the requirement for dated, separate escrow instructions to close an escrow or disburse funds or property in an escrow, an escrow agent:
- (a) May disburse earnest money deposited based on an agreement of the parties executed after the initial sales agreement; and
- (b) May not impose additional requirements on the principals to the transaction, including a requirement that the principals sign a release of liability in favor of the escrow agent.
- (9) Notwithstanding any provision of this section, an escrow agent may disburse funds, property or documents deposited in escrow in accordance with an order of a court of competent jurisdiction. SECTION 12. ORS 696.730 is amended to read:

696.730. Any court of competent jurisdiction, including a justice court, has full power to hear any violation of ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.995 by an individual licensed under ORS 696.022, and sections 1 to 9 of this 2024 Act, and, upon finding a violation, the court may, at its discretion and in addition to the other penalties imposed, revoke the license of the individual found to have violated any provision of ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.995 and sections 1 to 9 of this 2024 Act. The clerk of the court shall forward a copy of any order revoking a real estate license to the Real Estate Commissioner.

SECTION 13. Sections 1 to 9 of this 2024 Act and the amendments to ORS 696.010, 696.581 and 696.730 by sections 10 to 12 of this 2024 Act apply to contracts entered into on or after July 1, 2025.

SECTION 14. Sections 1 to 9 of this 2024 Act and the amendments to ORS 696.010, 696.581 and 696.730 by sections 10 to 12 of this 2024 Act become operative July 1, 2025.

REAL ESTATE LICENSEES

SECTION 15. ORS 696.800 is amended to read:

696.800. As used in ORS 696.392, 696.600 to 696.785, 696.800 to 696.870 and 696.995, unless the context requires otherwise:

- (1) "Agent" means:
- (a) A principal real estate broker who has entered into:
- (A) A listing agreement with a seller;
- (B) A [service contract] representation agreement with a buyer to represent the buyer; or
- (C) A disclosed limited agency agreement; or
- (b) A real estate broker associated with a principal real estate broker who is authorized to act as the principal real estate broker's agent in connection with acts requiring a real estate license and to function under the principal real estate broker's supervision.
- (2) "Buyer" means a potential transferee in a real property transaction, and includes a person who:
 - (a) Executes an offer to purchase real property from a seller through an agent; or
- (b) Enters into [an exclusive representation contract or] **a** buyer's [service] **representation** agreement with an agent, whether or not a sale or transfer of property results.

- (3) "Confidential information" means information communicated to an agent by the buyer or seller of one to four residential units regarding the real property transaction, including but not limited to price, terms, financial qualifications or motivation to buy or sell. "Confidential information" does not mean information that:
- (a) The buyer instructs the agent to disclose about the buyer to the seller or the seller instructs the agent to disclose about the seller to the buyer; and
- (b) The agent knows or should know failure to disclose would constitute fraudulent representation.
- (4) "Disclosed limited agency" means a real property transaction in which the representation of a buyer and seller or the representation of two or more buyers occurs within the same real estate business.
- (5) "Listing agreement" means a contract between an agent and a seller of real property that authorizes the agent, in exchange for compensation, to act on behalf of the seller in offering the real property for sale or in finding and obtaining a buyer.
- (6) "Listing price" means the amount expressed in dollars, specified in the listing agreement, for which the seller is willing to sell the real property through the listing agent.
 - (7) "Offer" means a written proposal executed by a buyer for the sale or lease of real property.
- (8) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property.
- (9) "Principal" means the person who has permitted or directed an agent to act on the principal's behalf. In a real property transaction, this generally means the buyer or the seller.
- (10) "Purchase" refers to a transaction for the acquisition of real property by the buyer from the seller and includes:
 - (a) Exchanges of real property between the seller and the buyer and third parties; and
 - (b) Land sales contracts.
- [(10)] (11) "Real property" means any estate in real property, including a condominium as defined in ORS 100.005, a timeshare property as defined in ORS 94.803 and the granting of an option or right of first refusal. "Real property" also includes a manufactured structure, as defined in ORS 446.561, owned by the same person who owns the land upon which the manufactured structure is situated. "Real property" does not include a leasehold in real property.
- [(11)] (12) "Real property transaction" means a transaction regarding real property in which an agent is employed by one or more of the principals to act in that transaction and includes but is not limited to listing agreements, buyer's [service agreements, exclusive representation contracts] representation agreements and offers to purchase.
- (13) "Representation agreement" means a contract between an agent and buyer of real property that authorizes the agent, in exchange for compensation, to act on behalf of the buyer in purchasing real property or identifying real property for purchase.
- [(12)] (14) "Sale" or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes:
 - (a) Exchanges of real property between the seller and the buyer and third parties; and
 - (b) Land sales contracts.
- [(13)] (15) "Seller" means a potential transferor in a real property transaction and includes an owner:
 - (a) Who enters into a listing agreement with an agent, whether or not a transfer results; or
- (b) Who receives an offer to purchase real property that the seller owns from an agent acting on behalf of a buyer.

SECTION 16. ORS 696.805 is amended to read:

- 696.805. (1) A real estate licensee representing a seller in a transaction is required to act under a written listing agreement with the seller. The listing agreement must:
- (a) Be entered into before the real estate licensee begins offering the property for sale or making efforts to find or obtain a buyer for the property;
 - (b) State whether the agreement is exclusive or nonexclusive;

- (c) Describe the legal obligations of a seller's agent, either directly or by referring to the initial agency disclosure pamphlet required by ORS 696.820, if such pamphlet has been provided to the seller; and
- (d) Contain any other additional requirements prescribed by rule by the Real Estate Commissioner.
- (2) A real estate licensee may not enter into a listing agreement if the duration of the listing agreement, including any automatic renewals of the listing agreement, exceeds 24 months.
- (3) The requirements of subsections (1) and (2) of this section do not apply to real estate licensees when engaged in a transaction for property that is improved or available for improvement by commercial structures or five or more residential dwelling units.
- [(1)] (4) A real estate licensee who acts under a listing agreement with the seller acts only as the seller's agent [only] in a real estate transaction unless the seller has agreed in writing for the listing agent to be a disclosed limited agent pursuant to ORS 696.815.
- [(2)] (5) A seller's agent owes the seller, other principals and the principals' agents involved in a real estate transaction the following affirmative duties:
 - (a) To deal honestly and in good faith;
- (b) To present all written offers, written notices and other written communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
- (c) To disclose material facts known by the seller's agent and not apparent or readily ascertainable to a party.
- [(3)] (6) A seller's agent owes the seller involved in a real estate transaction the following affirmative duties:
 - (a) To exercise reasonable care and diligence;
- (b) To account in a timely manner for money and property received from or on behalf of the seller;
- (c) To be loyal to the seller by not taking action that is adverse or detrimental to the seller's interest in a transaction;
 - (d) To disclose in a timely manner to the seller any conflict of interest, existing or contemplated;
- (e) To advise the seller to seek expert advice on matters related to the transaction that are beyond the agent's expertise;
- (f) To maintain confidential information from or about the seller except under subpoena or court order, even after termination of the agency relationship; and
- (g) Unless agreed otherwise in writing, to make a continuous, good faith effort to find a buyer for the property, except that a seller's agent is not required to seek additional offers to purchase the property while the property is subject to a contract for sale.
- [(4)] (7) A seller's agent may show properties owned by another seller to a prospective buyer and may list competing properties for sale without breaching any affirmative duty to the seller.
- [(5)] (8) Except as provided in subsection [(3)(g)] (6)(g) of this section, an affirmative duty may not be waived.
- [(6)] (9) Nothing in this section implies a duty to investigate matters that are outside the scope of the real estate licensee's expertise, including but not limited to investigation of the condition of property, the legal status of the title or the owner's past conformance with law, unless the licensee or the licensee's agent agrees in writing to investigate a matter.
- [(7)] (10) In order to help a seller avoid selecting a buyer based on the buyer's race, color, religion, sex, sexual orientation, national origin, marital status or familial status as prohibited by the Fair Housing Act (42 U.S.C. 3601 et seq.), a seller's agent shall reject any communication other than customary documents in a real estate transaction, including photographs, provided by a buyer.

SECTION 17. ORS 696.810 is amended to read:

696.810. (1) A real estate licensee representing a buyer is required to act under a written representation agreement with the buyer. The representation agreement must:

- (a) Be entered into before, or as soon as reasonably practicable after, the licensee has commenced efforts to assist the buyer in purchasing real property or in identifying real property for purchase;
 - (b) State whether the agreement is exclusive or nonexclusive;
- (c) Describe the legal obligations of a buyer's agent described in this section either directly or by reference to the initial agency disclosure pamphlet required under ORS 696.820, if such pamphlet has been provided to the buyer; and
- (d) Contain any other additional requirements prescribed by rule by the Real Estate Commissioner.
- (2) A real estate licensee may not enter into a representation agreement, or a contract that would require the buyer to enter into a representation agreement in the future, if the duration of the representation agreement or contract, including any automatic renewals of the representation agreement or contract, exceeds 24 months.
- (3) The requirements of subsections (1) and (2) of this section do not apply to real estate licensees when engaged in a transaction for property that is improved or available for improvement by commercial structures or five or more residential dwelling units.
- [(1)] (4) A real estate licensee who acts under a representation agreement with a buyer acts only as the buyer's agent in a real estate transaction unless the buyer has agreed in writing for the buyer's agent to be a disclosed limited agent pursuant to ORS 696.815 [other than the seller's agent may agree with the buyer to act as the buyer's agent only. The buyer's agent is not representing the seller], even if the buyer's agent is receiving compensation for services rendered, either in full or in part, from the seller or through the seller's agent.
- [(2)] (5) A buyer's agent owes the buyer, other principals and the principals' agents involved in a real estate transaction the following affirmative duties:
 - (a) To deal honestly and in good faith;
- (b) To present all written offers, written notices and other written communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
- (c) To disclose material facts known by the buyer's agent and not apparent or readily ascertainable to a party.
- [(3)] (6) A buyer's agent owes the buyer involved in a real estate transaction the following affirmative duties:
 - (a) To exercise reasonable care and diligence;
- (b) To account in a timely manner for money and property received from or on behalf of the buyer;
- (c) To be loyal to the buyer by not taking action that is adverse or detrimental to the buyer's interest in a transaction;
 - (d) To disclose in a timely manner to the buyer any conflict of interest, existing or contemplated;
- (e) To advise the buyer to seek expert advice on matters related to the transaction that are beyond the agent's expertise;
- (f) To maintain confidential information from or about the buyer except under subpoena or court order, even after termination of the agency relationship; and
- (g) Unless agreed otherwise in writing, to make a continuous, good faith effort to find property for the buyer, except that a buyer's agent is not required to seek additional properties for the buyer while the buyer is subject to a contract for purchase or to show properties for which there is no written agreement to pay compensation to the buyer's agent.
- [(4)] (7) A buyer's agent may show properties in which the buyer is interested to other prospective buyers without breaching an affirmative duty to the buyer.
- [(5)] (8) Except as provided in subsection [(3)(g)] (6)(g) of this section, an affirmative duty may not be waived.
- [(6)] (9) Nothing in this section implies a duty to investigate matters that are outside the scope of the real estate licensee's expertise, including but not limited to investigation of the condition of

property, the legal status of the title or the owner's past conformance with law, unless the licensee or the licensee's agent agrees in writing to investigate a matter.

SECTION 18. ORS 696.815 is amended to read:

696.815. (1) A real estate licensee may represent both the seller and the buyer in a real estate transaction as a disclosed limited agent under a disclosed limited agency agreement, with full disclosure of the relationship under the agreement. The real estate licensee must also have a written listing agreement with the seller that meets the requirements of ORS 696.805 and a written representation agreement with the buyer that meets the requirements of ORS 696.810.

- (2) A real estate licensee acting pursuant to a disclosed limited agency agreement has the following duties and obligations:
 - (a) To the seller, the duties under ORS 696.805;
 - (b) To the buyer, the duties under ORS 696.810; and
- (c) To both seller and buyer, except with express written permission of the respective person, the duty not to disclose to the other person:
- (A) That the seller will accept a price lower or terms less favorable than the listing price or terms:
- (B) That the buyer will pay a price greater or terms more favorable than the offering price or terms; or
 - (C) Specific confidential information as defined in ORS 696.800 (3).
- (3) Nothing in this section implies a duty to investigate matters that are outside the scope of the real estate licensee's expertise unless the licensee agrees in writing to investigate a matter.
- (4) In a real estate transaction in which different real estate brokers associated with the same principal real estate broker establish agency relationships with different parties to the real estate transaction, the principal real estate broker shall be the only broker acting as a disclosed limited agent representing both seller and buyer. Other brokers shall continue to represent only the party with whom the broker has an agency relationship unless all parties agree otherwise in writing.
- (5) The principal real estate broker and the real estate licensees representing either seller or buyer shall owe the following duties to the seller and buyer:
 - (a) To disclose a conflict of interest in writing to all parties;
- (b) To take no action that is adverse or detrimental to either party's interest in the transaction; and
 - (c) To obey the lawful instructions of both parties.

SECTION 19. ORS 696.840 is amended to read:

696.840. The payment of compensation or the obligation to pay compensation to a real estate licensee by the seller or the buyer is not necessarily determinative of a particular agency relationship between a real estate licensee and the seller or the buyer. After full disclosure of agency relationships, a listing agent, a selling agent or a real estate licensee or any combination of the three may agree to share any compensation paid, or any right to any compensation for which an obligation arises as the result of a real property transaction, and the terms of the agreement shall not necessarily be determinative of a particular relationship. Before entering into an agreement to share compensation between a listing agent and a buyer's agent, the listing agent and buyer's agent must disclose to their respective clients the amount and terms of the shared compensation. Nothing in this section shall prevent the parties from selecting a relationship not specifically prohibited by ORS 696.301, 696.392, 696.600 to 696.785, 696.800 to 696.870 and 696.995.

SECTION 20. Section 21 of this 2024 Act is added to and made a part of ORS 696.010 to 696.495

SECTION 21. (1)(a) As used in this section, "future right to list contract" means a contract granting a right to list, or to refer to another for listing, residential real estate for sale in the future and includes, but is not limited to, any document recorded in the county where the real estate is located relating to the contract, including the contract itself, a memorandum concerning the contract, or a deed of trust to secure the terms of the contract.

- (b) "Future right to list contract" does not include a will or trust instrument in which the testator or settlor instructs a personal representative or trustee to use the services of a particular real estate licensee or firm upon the death or incapacity of the testator or settlor.
- (2) A real estate licensee may not solicit, enter into or give or receive compensation arising from a future right to list contract if:
 - (a) The duration of the contract, including any renewals thereof, exceeds 24 months;
- (b) The contract purports to run with the land or to be binding on future owners of interests in the real property;
- (c) The contract allows for assignment of the right to provide service without notice to and consent of the owner of residential real estate; or
- (d) The contract purports to create a lien, encumbrance or other real property security interest.
- (3) This section does not apply if the future right to list contract is entered into between a real estate licensee and a corporation, limited liability company or partnership and is for the right to list the real property of the corporation, limited liability company or partnership.

CAPTIONS

SECTION 22. The unit and section captions used in this 2024 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2024 Act.

Passed by House February 14, 2024	Received by Governor:
	, 2024
Timothy G. Sekerak, Chief Clerk of House	Approved:
	, 2024
Dan Rayfield, Speaker of House	
Passed by Senate February 28, 2024	Tina Kotek, Governor
	Filed in Office of Secretary of State:
Rob Wagner, President of Senate	, 2024
	LaVonne Griffin Valade Secretary of State

REQUIRED BUYER AGENCY CONTRACTS: IMPACTS ON HOME BUYERS

Stephen Brobeck

Senior Fellow

February 2024

INTRODUCTION

In 2023, only 41 percent of recent home buyers surveyed by the National Association of Realtors (NAR) said they had signed buyer agency agreements.[1] However, there is every reason to believe that this percentage is likely to increase in the future. NAR is now supporting the recommendation that all of their members representing buyers use these contracts.[2] Some proposals for settling the litigation mandate these agreements.[3] And an increasing number of states are requiring them.[4]

Class action litigation helps explain much of this increased industry interest. Two lawsuits filed in 2019 – Moehrl v. NAR et al. and Sitzer v. NAR et al. – challenged the way buyer agents are compensated. The lawsuits, and a growing number of copycat suits, argued that a NAR rule requiring listing agents (and their sellers) to offer compensation to buyer agents, allowed the industry to set commission rates, violating anti-trust laws. The industry reasoned that if buyers signed contracts affirming rate negotiation and obligating them to compensate their agents, agents and their brokers would be protected from future litigation.[5]

Before the litigation, many buyer agents felt comfortable not using written agreements, principally for two reasons. First, the agents were assured of being paid by sellers because of the mandatory compensation rule. Second, buyer agents were not required to raise issues with buyers that were difficult to explain and might discourage buyers from working with them.[6] These issues included the buyer obligation to ensure the agent was compensated, and the potential need to shift from a fiduciary relationship to dual agency, designated agency, or transactional brokerage. Even without a contract, industry rules require some compensation in the event the buyer agent showed their client a home, but then the buyer worked with another agent to purchase it. Since sellers were required to compensate buyer agents, the issue of buyer agent compensation often did not come up in discussions with buyers and, when it did, buyers were told that the listing agent or seller provided this compensation.

^[1] Twenty-six percent said they did not sign an agreement; 17% said they had an oral arrangement; and 16% did not know. National Association of Realtors, 2023 Profile of Home Buyers and Sellers, p. 69.

^[2] Melisa Dittmann Tracey, "How Buyer Agreements Boost Your Value, Fend Off Claims," Real Estate News, National Association of Realtors (May 5, 2023). NAR chief legal officer Katie Johnson quoted in a Real Estate News article written by Graham Wood (November 15, 2023).

^[3] See note 22.

^[4] The South Carolina Realtors posted a note by Byron King on December 14, 2023 that 18 states require written buyer agency agreements. Our research found state requirements in Georgia, Idaho, Maryland, Minnesota, Missouri, Montana, North Carolina, North Dakota, Pennsylvania, Utah, Virginia, Washington, and Wisconsin, and an MLS requirement in Alaska, with question marks about requirements in Arkansas, Oklahoma, South Carolina, and Vermont.

^[5] Industry interest in buyer agency contracts increased even further when, in October 2023, the Sitzer jury found industry groups guilty of collusion to set rates, and awarded plaintiffs \$1.8 billion that with treble damages, could exceed \$5 billion.
[6] Audrey Lee, "Is it time to add a buyer representation agreement to your business practice?" Real Trends (December 2, 2022).

This report will discuss several aspects of buyer agency contracts – important content, unfair provisions, format and timing, and recommended use by consumers. It will also suggest that state governments or the courts prohibit certain unfair practices. One important finding is that newer contracts usually permit buyer agents to arrange, with listing agents, additional compensation from sellers beyond what is negotiated with buyers. This provision has the potential to thwart any efforts to sufficiently separate buyer agent and listing agent commissions so that both buyers and sellers can independently negotiate the commissions of their agents.[7]

The report is based on an analysis of 43 contracts from 37 states mainly found through a Google search using state names (see Appendix A). Most of the contracts are model ones issued by state or local Realtor organizations. A few agreements are models recommended by multiple listing services (MLSs). Several are identified with specific firms. A couple of contracts were issued and recommended by state government agencies but could be modified by brokers. The contracts in the sample were issued between 1995 (Vermont Association of Realtors) and 2024 (Wisconsin Real Estate Examining Board). Fourteen of the agreements were issued in 2019 or later. The contract issued by the New York State Multiple Listing Service was not dated. Because the two major lawsuits were filed in 2019, we will focus most of our attention on model and used contracts issued from this year on.

According to one source 18 states require buyer agency agreements though we were able to confirm only 13 of these requirements.[8] The important point is that most of these state requirements only require a contract but do not specify what the agreement must contain. [9] Moreover, the industry is given great leeway in writing the contracts, which state Realtor associations typically do, then give agencies and brokers the ability to modify them. Accordingly, while the contracts must conform to state laws such as those on agency and confidentiality, these agreements are written to benefit agencies and brokers.

^[7] Article 7 of the NAR's Code of Ethics and Standards of Practice prohibits a Realtor from accepting compensation from more than one party without consumer disclosure and informed consent. However, buried in lengthy, complicated contracts that most consumers will not read or understand, multiple compensation clauses will unknowingly be agreed to.
[8] See note 4.

^[9] There are some exceptions. For example, a relatively old (1995) North Dakota State law (70-02-03-05.1) requires that buyer broker agreements include an expiration date, amount of the commission or other broker compensation, services to be provided to earn this compensation, and a separate dual agency disclosure if the agent represents both buyer and seller. These are essentially the requirements of a much newer (2023) Washington State statute though this law does not require a separate dual agency consent; it is in the contract. Stokes Lawrence, Revisions to Washington Agency Law Effective January 1, 2024 (December 18, 2023).

Most Important Contract Provisions

There are dozens of provisions in most buyer agent agreements but some are far more important than others. Here are those about which we think consumers should be most aware and possibly concerned.[10]

Buyer Agency: The buyer contracts not with the individual agent but with the agent's broker or agency (who is often referred to as "agent"). Brokers then have the authority to assign a different agent to work with the buyer if the buyer or the agent is dissatisfied or the agent is unable to carry out their responsibilities.

Type of Agreement: A large majority of contracts are "exclusive." Once signed, buyers cannot work with another agent during the length of the contract. Contracts can be "non-exclusive," but they are not common and are not favored by agents.

Length of Contract: Contract lengths usually range between one month and a year. Agents often recommend contracts of 90 or 120 days. Buyer obligations extend beyond the contract period for a specified period of time, often six months, if a home shown earlier by the agent is purchased by the buyer.

Termination of Contract: Most contracts do not provide for early termination unless both buyer and agent agree. Yet, when the agreements do allow this termination and it is initiated by buyers, they are sometimes obligated to pay a fee.[11]

Buyer Compensation, Commissions: Buyers are obligated to provide full compensation, usually commissions representing a percentage of the sale price. Almost all contracts allow sellers to pay all or a portion of these commissions. In at least two contracts, buyers must be notified of this seller "concession" before an offer is made.[12] Many contracts also allow buyer agents to receive any compensation offered by sellers above the contracted amount agreed to by buyer and buyer agent.

^[10] The most informative discussion we have seen about these provisions is contained in a buyer brochure – titled What You Should Know About the Buyer Brokerage Agreement – prepared by Wendy Gilch, a Pittsburgh-area consumer advocate who is seeking to increase information available about individual brokers and also inform consumers. Another informative source is the article – What's a Buyer Broker Agreement and What Should You Know Before Signing One? – prepared by Summer Rylander and Amber Taufen and printed by homelight.com.

^[11] The buyer agency agreement for Maryland (2016), for example, states there will be a buyer fee for cancellation but does not specify the amount.

^[12] The buyer agency agreement of the Northwest Multiple Listing Service (2021) requires buyer notice before preparation of an offer. The agreement of Summit/Sotheby's (2017) requires notice before presentation of an offer when the property is not listed with a brokerage.

Buyer Agency Compensation, Fees: There is often a place for "retainer" fees that are non-refundable and sometimes credited as part of the commission but at present, not often charged. There is also often a place for other fees. In some areas, for example, there is a charge, usually ranging between \$200 and \$900, that is often called an administrative, transaction, or regulatory compliance fee.[13]

Buyer Agent Compensation, Rebates: All but nine states permit buyer brokers to rebate a portion of their commissions back to buyers. While a small number of brokers advertise this benefit, a large majority do not offer rebates and, if asked, will not provide one.[14] This option was not found in any of the contracts in our sample.[15]

Conflict of Interest with Representation of Sellers: Most buyer agreements provide for fiduciary representation in which buyer agents are obligated to be totally loyal to buyers.[16] But most contracts also provide for a switch, dependent on state law, to dual agency or transaction brokerage, when the agent or broker represents or wants to work with the seller. Dual agents and transaction agents are essentially facilitators who cannot favor either party. Facilitators, for example, cannot give the buyer any advice that might harm the interests of the seller, including recommending the submission of an offer with a lower price. If the agent or broker is already representing the seller, they may give buyers the option of accepting a designated agent from within the agency. Some contracts provide a space for buyers to approve or reject the future use of dual agents, transaction brokers, or designated agents.[17]

Conflict of Interest with Representation of Other Buyers: Contracts provide buyer agents with the ability to work with other buyers who are interested in the same properties, including showing different clients the same property and preparing offers for all of these clients.

Dispute Resolution: Most contracts encourage or require that disputes be resolved first by mediation and/or arbitration, and some agreements limit the buyer's ability to litigate

^[13] Tom Higgins, Beware 'Junk Fees' When Buying a Home (Kiplinger Personal Finance, September 22, 2023). Jeff Riber, Real Estate Brokerage Transaction Fees (Pursuit Real Estate, September 28, 2021).

^[14] State Support for Anti-Rebate Prohibitions Weakens, Consumer Federation of America press release (December 15, 2021). [15] Rebates are most often offered by discount brokers. For example, Minnesota Realtor (and attorney) Doug Miller charges a drafting fee of \$125, a showing fee of approximately \$44, a firm trip fee of \$125, and a commission of 1.35 percent with a \$3,000 minimum then rebates the difference between these expenses and buyer compensation provided by the seller back to the

^[16] In Florida, most agents and brokers work as transaction brokers so do not face this problem. Stephen Brobeck, Does Transaction Brokerage in Florida Serve the Interest of Home Sellers and Buyers? (Consumer Federation of America, January 2022).

^[17] For example, the buyer representation agreement of the Idaho Realtors (2020) gives buyers the option of approving either limited dual agency (and/or assigned agency) or single agency. This choice is also provided by Realtor contracts in Maine, Minnesota, North Carolina, Pennsylvania, South Carolina, South Dakota, and Washington.

issues. These limitations include requirements that buyers initially seek to resolve complaints through mediation or arbitration, sometimes both, waive the right to a trial by judge or jury, and limit the agent's dollar liability.[18]

Agent Disclaimer: An additional limitation on buyer agent liability is disclaimers in most contracts that buyer agents lack expertise in many areas related to the sale. These areas include the law, Federal or State tax codes, financing, surveying, engineering, architecture, the environment, and other physical conditions or nonphysical details of the property. Some contracts urge the buyer to seek advice about the agreement from an attorney.

Unfair Contract Provisions

There are provisions in some or many contracts that may lead to unfair buyer broker treatment of buyers. They relate to commissions, other fees, conflicts of interest with buyers and other sellers, and dispute resolution.

Supplemental Buyer Agent Compensation: There is a provision in almost all recent buyer agent agreements that, if the seller offers a larger buyer agent commission than the buyer and buyer agent agreed on, the agent can retain the difference. For example, if a buyer negotiates a commission rate of two percent with their buyer agent and the seller agrees to provide three percent, the buyer agent can pocket the one percent difference instead of allowing the buyer to use this one percent to help cover sale costs.

This provision has the potential to inflate seller or buyer costs. The seller either has to pay the one percent themselves or add it to the sale price, increasing buyer costs. More importantly, the provision has the potential to allow the industry to preserve a fixed rate system even if mandatory offers are prohibited. For instance, listing agents can prepare sellers for this expense by informing them that they might have to provide a three percent commission to cover buyer agent costs. If the buyer negotiates a two percent commission, the buyer agent can inform the listing agent that they need three percent, and most listing agents would probably agree to this three percent and recommend it to their client. They would do so because they are eager for the sale to be finalized and also because almost all listing agents also have buyer clients, so would benefit from this practice when working with buyers. One can also imagine buyer agents steering clients to those properties whose listing agents are willing to provide the additional compensation.

^[18] For example, the buyer representation agreement of the Oregon Realtors (2022) requires any disputes beyond the jurisdiction of small claims court to be "resolved through mediation, and if unresolved through mediation, to binding arbitration...". It also states that, by signing the agreement, buyers waive the right to a trial by judge or jury.

The right of buyer agents to collect this additional compensation is framed in different ways: Some contracts state that buyer agents can retain the additional compensation offered.[19] Other agreements say that buyers are not entitled to this additional compensation.[20] Still other contracts permit buyer agents to receive compensation from more than one source (i.e., most often from both the buyer and seller).[21] In home sales, buyer agents should not be permitted to collect compensation from their buyer then seek additional compensation from the seller. In a coupled commission system, sellers rarely offer higher compensation than the buyer has agreed to pay. But if rates were uncoupled and buyers negotiated commission rates down, a difference in rates would become much more frequent. There have been several proposals from various sources for uncoupling commissions that prohibit this additional buyer agent compensation.[22]

Unreasonable fees: As noted earlier, some brokers are now charging "administrative" or "transaction" fees, usually ranging between \$200 and \$900, that are usually not credited to the payment of commissions. These "junk fees" are not justifiable given relatively high commission rates which today usually provide ample compensation to both agent and broker. In the current marketplace, it is unfair for agents and brokers to charge them.

Most contracts also include space for a "retainer" fee. Brokers have told us that this fee is not currently charged. However, if rates are uncoupled and decline, we expect that retainer fees will increasingly be added, and there is some justification for this fee. In today's market, buyer agents not infrequently show properties to a potential buyer, sometimes dozens over a lengthy period of time, yet receive no compensation when a sale is not made. If buyer agents charged an upfront retainer, these agents would receive some compensation for their efforts when there is no sale, and non-serious consumers would be less likely to waste the time of agents. The size of the retainer fees could be related to the number of properties shown. However, these fees should be reasonable and, in the event of a sale, be credited to the commission paid.

Requiring Buyer Acceptance of Dual Agency, Designated Agency, or Transaction Brokerage: In today's marketplace, where nearly all individual agents and brokers work with both sellers and buyers, conflicts of interest inevitability arise. One major conflict is when a

^[19] For example, the buyer agency agreement of the North Carolina Association of Realtors issued in July 2022. This additional buyer agent compensation, though, must be disclosed orally to the buyer before or at the showing and disclosed in writing before an offer is made.

^[20] For example, the buyer representation agreement of the Louisiana Realtors issued in November 2023.

^[21] For example, the buyer representation agreement of the Oregon Realtors issued in 2022.

^[22] A proposal of a rule that may be agreeable to both industry experts and plaintiff attorneys to resolve the commission lawsuits was developed by a group of MLS lawyers and presented publicly at a January 2024 industry forum reported on by Andrea Brambila in Inman on January 26, 2024. A consumer proposal -- Real Estate Brokerage Class Action Lawsuits: How to Effectively Separate ("Decouple") Listing and Buyer Broker Commissions – was developed by the Consumer Federation of America and released in September 2023.

buyer agent agrees on a fiduciary relationship with a buyer, who then is interested in a property listed by that agent or their broker. But since the interests of buyers and sellers usually differ, the agent and broker cannot provide fiduciary representation to both buyer and seller. State laws permit the shift in agent's role from fiduciary to facilitator but require this shift to be approved, usually in writing, by both buyer and seller. Some contracts, though, include this approval without giving buyers a choice.[23] We believe that the possibility of a shift in an agent's role should be included in the contract and discussed with the buyer, but the buyer should not be asked for their approval until a conflict emerges in relation to a specific listing.

Not Explaining How Conflicts of Interest Involving Other Buyer Clients Are Resolved:

Nearly all contracts allow buyer agents to market, show, and submit offers on property for all of their buyer clients. Yet, rarely do the contracts explain how the agents treat fairly their buyers interested in the same property. For example, do brokers give preference to buyers willing to submit the largest offer or those prepared to pay cash? Or, do they play buyer clients off against each other – e.g., "I have another client interested in that property" – to encourage the submission of an offer. One solution is provided by the contract of a long-time exclusive buyer broker which states that the broker will not represent more than one buyer client at a time on the same property. Priority is given to "the first buyer client who expresses an interest in submitting an offer on such property." [24]

Limiting Remedies for Buyers with Complaints: Many contracts try to discourage or prohibit litigation to resolve any disputes that might arise. Several agreements require aggrieved buyers to first submit complaints to mediation and, if that is unsuccessful, to binding arbitration. CFA believes it is desirable to try to negotiate settlement of minor matters, including those involving miscommunication resulting in modest consumer harm. But CFA also believes that the ability of consumers to litigate any matter should not be limited.[25]

Several contracts also limit the amount of buyer agent liability to the amount of the compensation the agent received [26] while another agreement effectively caps this liability

^[23] Some contracts that do give buyers a choice are listed in note 12.

^[24] Exclusive Buyer Representation Agreement developed and used by Tom Wemett, a retired exclusive buyer broker who operated brokerages in Massachusetts and Florida.

^[25] As noted earlier, the buyer representation agreement of the Oregon Realtors requires first mediation, and if that does not resolve the issue, arbitration while waiving the buyer's right to a trial by judge and jury (apart from small claims court). The agreement of the Georgia Realtors (2020) states that "the decision of the arbitrator shall be final and the arbitrator shall have authority to award attorneys' fees and allocated the costs of arbitration."

^[26] For example, the buyer broker agreement of the South Carolina Realtors (2017) states that the broker "shall not be liable to Buyer, in an amount exceeding that Broker's Compensation by reason of any act or omission, including negligence, misrepresentations, errors and omissions, or breach of undertaking, except for intentional or willful acts."

at \$5,000.[27] These limitations may well fail to penalize agents sufficiently for any egregious conduct.

Prefilled Terms: Several contracts, especially those used by individual agencies, pre-filled several blanks on terms such as commission rate and length of contract. One intention of this pre-filling is to discourage negotiation of these terms. Yet, if the contracts are received in advance of a meeting, the prefilled terms provide important information to the buyer about what the agent wants to charge.

Contract Format and Timing

If buyers cannot understand the contract, or have no time to review it before signing, any value of the agreement to buyers is greatly diminished. While contracts of necessity must contain legal concepts, the agreements should as much as possible be written "in plain English," use readable type size and clear organization, and not contain non-essential provisions, especially numerous clauses intended to free agents of all liability. Contracts we reviewed varied considerably in this respect. For example, the agreement used by now-retired exclusive broker Tom Wemett was three pages (not including buyer and agent signature lines) and in 10-point type while also using language that could be understood by literate buyers (see Appendix B).[28] In contrast, the 2020 buyer brokerage agreement of the Georgia Association of Realtors (GAR):

- is six pages (not including signature lines) of small type,
- contains only four broker duties to buyers, but eight buyer duties to agents, as well as a lengthy section on the "limits on broker's authority and responsibility,"
- includes sections, such as those on GAR Forms and a potentially useful cyberfraud warning, buried near the contract's end, that likely would not be read but also could limit the liability of agents, and
- is written by lawyers for lawyers, for example, the first sentence on "protected period" which reads: "In the event that during the Protected Period, as that term is defined below, following termination or expiration of this Brokerage Agreement, Buyer purchases, options or contracts to purchase or exchange, or contracts to purchase ownership interest in a legal entity which owns, leases or lease purchases any property which during the term of this Agreement was submitted to, identified or shown to buyer by Broker or from which Broker provided information about to Buyer, then notwithstanding any provision to the contrary contained herein, Buyer shall pay Broker at closing or the commencement of any lease, if applicable, the commission or commissions set forth above."

^[28] This contract was developed and used by exclusive buyer broker Tom Wemett mentioned in note 24.

^[27] The right to represent buyer's agreement of the Vermont Association of Realtors limits broker liability to one-half of their compensation or \$5,000, whichever is greater.

The timing of the disclosures is equally important. Buyer contracts are often given to buyers, for the first time, just before an offer is made. At this point buyers have virtually no opportunity to read, understand, deliberate on, and negotiate the terms of the agreement. Early on in the relationship between buyer and buyer agent, the agent should provide the broker's standard buyer contract to the buyer, which then allows the buyer to consider, seek legal advice about, and negotiate terms such as agent compensation and the length of the contract before any offer to a seller. One option for resolving the mandatory offer issue includes a requirement that before arranging the first showing, buyer agents provide to buyers a single-page, easy-to-read disclosure form disclosing what and how they will be paid.[29]

Recommendations to Home Purchasers

Before signing any buyer agent agreement it is important for buyers to carefully select their agent. The recent sales experience of the agent and detailed comments from former clients, as well as recommendations from trusted friends and associates, can be helpful in making this decision. Zillow agent profiles usually include number of sales in the past year, with information on each, as well as comments from former clients. Realtor.com agent profiles frequently list recent sales. Since information from either source is often limited, it is important to consult both. However, it is also advisable to interview agents. Before the interview, one should request a copy of the buyer agent contract, paying special attention to issues (below) which one can discuss and negotiate with the agent.

A buyer should be prepared to walk away from an unfair contract or inflexible agent. As buyer contracts are used with greater frequency, buyers are likely to demand more from these contracts, and an increasing number of agents and their brokers are likely to grow more flexible about agreeing to customer requests. Should a buyer ever work with a buyer agent without a contract? It might be wiser to work directly with a listing agent who is a dual agent or transaction broker but also hire an attorney to protect one's interests.

Length of Contract: While the agent may well push for a contract of at least 90 days, we recommend asking for a term of no more than 60 days, which most pro-consumer agents will accept.

Termination of Contract: We recommend that the contract contain no penalty for early

^[29] This mandatory rule was developed by a group of MLS attorneys and is part of the proposed settlement rule changes reported on by Andrea Brambila in Inman on January 26, 2024.

termination. Most contracts allow agents to unilaterally withdraw from the agreement, and buyers should have the same opportunity. Keep in mind, though, that if another agent assists in the purchase of a property that the previous agent had shown, the buyer has a legal obligation to compensate the first agent.

Agent Commission: Buyers should try to negotiate the buyer agent commission down from the area's standard 2.5 or 3.0 percent rate. Increasingly in some areas, buyer agents are willing to represent buyers for only a 2.0 percent rate. If the buyer has qualified for a mortgage, can pay cash, has found a property, or the property is expensive, the buyer has a greater ability to negotiate down the rate.

Buyer agents will ask listing agents whether sellers are prepared to make "concessions" to help buyers afford the buyer agent commission and other expenses including improvements to the property. Buyers should ask whether the buyer agent will be seeking compensation from the listing agent (and seller) above the commission agreed to by buyer and their agent. This additional compensation might tempt the buyer agent to steer the buyer to listings with that compensation. Buyers should also make certain they know what seller concessions are available from a seller before submitting an offer on the property.

Agent Fees: Buyers should be willing to consider paying a retainer fee. This fee provides the buyer agent some compensation if they show many properties that the buyer decides not to purchase. Buyers should make sure the fee is reasonable and request that it be credited to the commission if the sale occurs.

Transaction and administrative fees should be questioned. The commissions should cover these services. And if the fees are agreed to, they should be credited to any commission paid.

Acceptance of Shift from Fiduciary Representation to Dual Agency or Transaction Brokerage: We recommend not agreeing to any shift in loss of fiduciary representation (total loyalty) when signing the buyer agency agreement. This agreement could encourage the agent or broker to promote properties that they have listed in order to retain the entire commission. Buyers should only agree to loss of true representation if they have evaluated a number of properties and concluded that the one listed by the buyer agent or their broker is the one they want. Keep in mind that dual agents and transaction brokers cannot legally give a buyer any advice that disadvantages sellers, including a recommendation to request

Conflicts of Interest Involving Other Buyer Clients of the Agent or Broker: Buyers should

a lower sale price or larger seller concessions.

ask their agents how they will fairly treat different clients who are interested in the same property.

Dispute Resolution: Buyers should try to settle minor issues in discussions with the agent and if necessary, also with the broker. Buyers should not give up the right to litigate important issues and should object to any required dispute resolution process, such as arbitration, that is lengthy, costly, and/or seems unfair.[30]

Summary and Conclusions

For decades many home buyers worked with real estate agents on an informal basis without having signed buyer agency agreements. However, largely because of recent class action litigation, industry leaders are now urging Realtors to use these contracts, mainly as protection against future lawsuits though some also recognize the benefits to agents of working with informed and committed buyers.

These contracts have the potential to benefit home buyers yet many Realtor created forms do not. Required in some states, nearly all agreements have been written by the industry, usually by attorneys working for state Realtor associations. Not surprisingly, most contracts are long, legalistic, and written to benefit brokers. Moreover, they are usually not given to buyers early in their relationship with agents so that buyers have little ability to read, understand, and negotiate these complex agreements upfront.

Some contracts contain provisions that are unfair to buyers. These include:

- charging fees on top of 2.5-3.0 percent commissions that are not credited to the commissions,
- requiring buyer loss of fiduciary representation when agents or agencies have listed properties of interest,
- not explaining how potential conflicts of interest involving all buyers of an agent or agency are resolved, and
- severely restricting buyer remedies including prohibiting litigation and limiting agent liability to the amount of their commissions.

Yet, the most anti-consumer provision, part of almost all recently written contracts, would undermine efforts to allow price competition in commission rate-setting. Many contracts now are being written to allow buyer agents to be compensated by their own clients and also by sellers. This provision would allow buyer agents to work with listing agents to

[30] The plaintiffs who won a substantial award from a jury in Sitzer v. National Association of Realtors et al. last October may not receive this award if the U.S. Supreme Court, in a February 2024 appeal from an industry defendant, decides that buyer contracts they signed prohibit them from litigating disputes. See Andrea V. Brambila, "HomeServices wants US Supreme Court to weigh Sitzer/Burnett case," Inman (February 5, 2024).

maintain high, fixed commission rates, as they have for decades. Buyer agents could continue to steer clients to properties and their listing agents that offer these rates. Listing agents, most of whom also represent buyers as well as sellers, could continue to persuade their clients that today's 2.5 or 3.0 percent commissions were normal and would incent buyer agents to sell their properties. Consequently, despite efforts by buyers to negotiate buyer agent commissions, agent commissions would still effectively be set by the industry. [31]

In any settlement of the many class action lawsuits, it is important that the courts prohibit buyer agents from collecting compensation from both their clients and from sellers. State attorneys general should also take a close look at the industry-written contracts that home buyers increasingly are being asked to sign.

The growing use of buyer agency agreements increases the importance of buyers carefully selecting an agent. This selection should include:

- Doing internet searches of candidates, paying particular attention to Zillow and Realtor.com agent profile information about recent sales and customer evaluations.
- Asking agents being considered to provide a copy of their buyer agency contract, including information about agent compensation, exclusivity, contract length, and potential conflicts of interest.
- Being willing to negotiate contract terms and, if the negotiation is unsuccessful, considering other agents.
- If working directly with listing agents, insisting that the agent act as a facilitator (i.e., either a dual agent or transaction broker) so that this agent cannot lawfully favor the seller. Also, consider hiring an attorney to review and possibly negotiate the terms of the agreement with the listing agent.

The class action litigation has set in motion events that could be highly beneficial to home buyers. However, these benefits would likely be severely curtailed if buyer contracts do not receive close scrutiny and are improved.

^[31] Article 7 of NAR's Code of Ethics and Standards of Practice recognizes the unethical nature of buyer agent compensation from both buyer and seller but gives Realtors the option of seeking buyer consent for this practice. In almost all instances, it would be easy for buyer agents to secure this consent since it is built into long, legal contracts that few buyers would carefully read and, if they did and objected, could be told that the buyer agent needed the compensation and would collect it from the seller. Few buyers would realize the practical and legal implications of this approval.

APPENDIX A: BUYER AGENCY AGREEMENTS

<u>State</u>	<u>Date</u>	<u>Sponsor</u>			
AL	2005	EBAA (Realtor)			
AK	2015	Alaska MLS			
AZ	2010	Arizona Realtors			
CA	2017	California Assn of Realtors			
СТ	2015	Eastern CT Assn of Realtors			
DE	2018	Delaware Assn of Realtors			
DC/MD	2016	Greater Capital Assn of Realtors			
FL	2016	Florida Realtors			
GA	2020	Georgia Assn of Realtors			
HI	2017	Hawaii Assn of Realtors			
ID	2020	Idaho Assn of Realtors			
KS	2017	Government approved agreement			
	2014	Kansas Assn of Realtors			
	2008	Kansas City Assn of Realtors			
	2013	Better Homes & Gardens/Kansas CityHomes			
LA	2023	Greater Baton Rouge Assn of Realtors			
ME	2018	Maine Assn of Realtors			
MA	2008	Massachusetts Assn of Realtors			
MI	2010	Move2Michigan.com			
MN	2013	Minnesota Assn of Realtors			
MT	2010	Montana Assn of Realtors			
NV	2017	Nevada Assn of Realtors			
NH	2007	New Hampshire Assoc of Realtors			
	2005	Keller Williams			

NJ	2019	New Jersey Realtors
NM	2023	New Mexico Assn of Realtors
NY	NA	New York State MLS
NC	2017	North Carolina Assn of Realtors BAC
	2022	North Carolina Assn of Realtors Guidelines for Completing BAC
ОН	2019	Columbus Realtors
OK	2014	Oklahoma Real Estate Commission
OR	2022	Oregon Realtors
PA	2020	Pennsylvania Association of Realtors
	2020	West Penn Multi-List
SC	2017	South Carolina Association of Realtors
SD	2021	South Dakota Department of Labor
TN	2015	Tennessee Realtors
TX	2022	Texas Realtors
UT	2017	Sotheby's/Summit
VT	1995	Vermont Assn of Realtors
VA	2019	Virginia Realtors
	2019	Northern Virginia Assn of Realtors
WA	2021	Northwest MLS
	2024	Two descriptions of legal changes effective 1-1-2024
WI	2024	Wisconsin Real Estate Examining Board (mandated)

APPENDIX B:

Exclusive Buyer Representation Agreement

1. PARTIES:
("Buyer") grants
Homebuyer Advisors LLC ("Broker") the exclusive
right to work with and assist Buyer in locating and negotiating the acquisition of suitable real property as described below during the term of this working relationship.
2. TERM: This Agreement will begin on the day of,,
and automatically renew on a month to month basis thereafter until terminated by either party by written notice to the other at any time without further obligation.
3. PROPERTY: Buyer is interested in acquiring real property as follows below or that
is otherwise acceptable to
Buyer ("Property"):
Type of Property:
Location:
Price Range: \$ to \$
Additional Information:
4. BROKER'S OBLIGATIONS:
(a)Broker Assistance. Broker will:

- 1. Use Broker's professional knowledge and skills;
- 2. Assist Buyer in determining Buyer's financial capability and financing options;
- 3. Discuss property requirements and assist Buyer in locating and viewing suitable properties;
- 4. Assist Buyer to contract for property, monitor deadlines and close any resulting transaction:
- 5. Cooperate with real estate licensees working with the seller, if any, to affect a transaction. Buyer understands that even if a seller or a real estate licensee who is working with a seller compensates Broker, such compensation does not compromise Broker's duties to Buyer.
- (b) Other Buyers. Broker could show or present the same property to other buyer clients. However, it would be a conflict of interest for Broker to represent more than one buyer client at a time on the same property. Broker would not be able to represent Buyer if another buyer client has already expressed an interest in submitting an offer on property Buyer may be interested in. Broker would be involved in setting negotiation strategy, pricing and terms for two buyer clients, pitting one against the other. Clearly this is a conflict of interest for the Broker and a violation of the duty of Undivided Loyalty to both buyer clients. Therefore, Broker will negotiate a deal to a conclusion on behalf of the first buyer client who expresses an interest in submitting an offer on such property. If Buyer is the second buyer client and wishes to pursue a purchase of such property, Broker agrees, upon written request from Buyer, to release Buyer from any further obligation under the terms of this Agreement with regard to a purchase of said specific property only, so that Buyer may pursue a purchase by other means if desired.

Buyer () () and Broker () acknowledge receipt of a copy of this
page 1 of 3	3 pages.

- 2 -

(b) **Fair Housing.** Broker adheres to the principles expressed in the Fair Housing Act and will not participate in any act that unlawfully discriminates on the basis of race, color, religion, sex, handicap, familial status, country of national origin or other category protected under federal, state or local law.

- (d)**Service Providers.** Broker does not warrant or guarantee products or services provided by any third party whom Broker, at Buyer's request, refers or recommends to Buyer in connection with property acquisition.
- **5. BUYER'S OBLIGATIONS:** Buyer agrees to cooperate with Broker in accomplishing the objectives of this Agreement, including:
- (a) Conducting all negotiations and efforts to locate suitable property only through Broker and referring to

Broker all inquires of any kind from real estate licensees, property owners or any other source. If Buyer contacts or is contacted by a seller or a real estate licensee who is working with a seller or views a property unaccompanied by Broker, Buyer will, at first opportunity, advise the seller or real estate licensee that Buyer is working with and represented exclusively by Broker. Buyer's actions could compromise Broker's ability to obtain and retain any cooperative fees offered by the seller or the real estate licensee representing the seller if this working relationship isn't disclosed to a seller or other real estate licensee immediately.

- (b) Providing Broker with accurate personal and financial information requested by Broker in connection with ensuring Buyer's ability to acquire property.
- (c) Not asking or expecting to restrict the acquisition of a property according to race, color, religion, sex, handicap, familial status, country of national origin or any other category protected under law.
- **6. BROKER'S PROFESSIONAL COMPENSATION:** Broker's professional fee is earned when, during the term of this Agreement or any renewal or extension, Buyer or any person acting for or on behalf of Buyer, contracts to acquire real property as specified in this Agreement. Most properties that Buyer will be considering will be listed in an MLS, Multiple Listing System, whereby Broker is offered a co-operative fee by means of Broker's membership in such MLS.

The amount due Broker, as noted below and referenced above, may differ from any compensation offered to Broker by a seller or a listing agent, as offered MLS cooperative fees vary and are not fixed. If the amount due is less than the amount offered to Broker the Broker will rebate the excess back to Buyer at or after closing. If the amount due is more than the amount offered to Broker, the Buyer may pay the Broker the difference directly at closing or at Buyer's option, the difference due will be included in the purchase price Buyer agrees to pay as a seller paid concession toward closing costs, escrows and buyer agent fee, and then paid

to Broker by Buyer at closing from the seller concession. If there is no offered cooperative fee, such as with a for-sale-by-owner, the total compensation due Broker will be included in the purchase price offered and paid directly to Broker at closing.

(a) Broker's professional compensation shall be determined as follows: 3.0% of the total purchase price with said compensation due and payable at closing.

7.BROKERAGE RELATIONSHIP: Buyer authorizes Broker to operate as their Buyer Agent. Broker never operates as a Designated Agent, Dual Agent or Facilitator, as defined in MA Statutes, as none is in the best interest of a buyer. Broker guarantees to provide full fiduciary duties, including Undivided Loyalty, to Buyer at all times and in every situation. Buyer and Buyer will also sign the Massachusetts Mandatory Real Estate Licensee-Consumer Relationship Disclosure, which is made a part hereof.

* '	oker () acknowledge receipt of a copy of this page 2 of 3 pages.
	- 3 -
understands its contents and has This Agreement cannot be chang	FICATIONS: Buyer has read this Agreement, so received a copy of same at the time of signing. Ged except by written agreement signed by both contract. If legal advice is desired, consult an
Date:	Buyer Name(s):

Address/Phone:

Buyer Signat	:ure(s):			
Date:			rage Name: Homebuyer Advisors LL	C
			ss/Phone: PO Box 72 Orange, MA 01364 (978) 248-9898	
Signature: _				
			_, On Behalf of Broker	
Buyer () () and Broker () acknowledge receipt of a copy c	of this
		page 3 o	f 3 pages.	

ADMINISTRATIVE ACTIONS Reported 01/17/2024 through 03/12/2024

REVOCATIONS

None.

SUSPENSIONS

None.

REPRIMANDS

Wu, Karen, Principal Broker PB.940600159, Stipulated Order dated February 27, 2024, issuing a reprimand and \$10,000.00 civil penalty.

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

Shimota, Thomas, Broker B.951100117, Stipulated Order dated January 24, 2024, issuing a \$500.00 civil penalty.

REAL ESTATE AGENCY 1 BEFORE THE REAL ESTATE COMMISSIONER 2 3 4 In the Matter of the Unlicensed Professional 5 Real Estate Activity of STIPULATED FINAL ORDER 6 7 THOMAS J. SHIMOTA 8 9 10 The Oregon Real Estate Agency (Agency) and Thomas Shimota (Shimota) do hereby 11 agree and stipulate to the following: 12 FINDINGS OF FACT 13 AND 14 CONCLUSIONS OF LAW 15 1. 16 In establishing the violations set forth herein, the Agency may rely on one or more of the 17 definitions contained in ORS 696.010. 18 1.1 Shimota was a licensed real estate broker with Apex Real Estate Partners, LLC 19 (Apex), until September 1, 2022, when his license expired. 20 1.2 On March 2, 2022, the Oregon AFSCME Council 75 (AFSCME) signed a listing 21 agreement with Shimota to sell a property located in Portland, Oregon (Property). 22 1.3 On August 1, 2022, the Agency sent a renewal notification email to Shimota. On 23 August 25, 2022, the Agency sent a second renewal notification email to Shimota. 24 1.4 Shimota's license expired on September 1, 2022. 25 1.5 On September 7, 2022, Shimota paid to renew his broker license. The Agency 26 sent an email to Shimota informing him that his online renewal was successful. The email 27 informed Shimota that his license must be transferred to an RBN by a principal broker or 28 property manager in 30 days, or his license will go inactive. 29 AFSCME and Sparky Mack Investment Group, LLC entered into a purchase and 30 sale agreement for the Property on December 15, 2022.

1 of 4 - Stipulated Final Order - Thomas J. Shimota

- 1.7 In an email to the Agency, Shimota's attorney Max Forer (Forer) stated that the person who was tasked with associating Shimota's license was out of the office the day Shimota requested to be reassociated.
- 1.8 Forer stated that Apex took immediate action when they discovered that Shimota's license was inactive.
- 1.9 On June 8, 2023, Shimota paid a reinstatement fee and his license was successfully reactivated that same day.
 - 1.10 Sale of the Property closed on June 16, 2023.
- (1) Conclusion of Law: By conducting professional real estate activity with an inactive license, Shimota violated ORS 696.020(2) (2021 Edition). Shimota is subject to a civil penalty under ORS 696.990(4)(a)(b) (2021 Edition).

2.

According to ORS 696.775, the lapsing, expiration, revocation or suspension of a real estate license, whether by operation of law, order of the Real Estate Commissioner or decision of a court of law, or the inactive status of the license, or voluntary surrender of the license by the real estate licensee does not deprive the commissioner of jurisdiction to: (1) proceed with an investigation of the licensee; (2) conduct disciplinary proceedings relating to the licensee; (3) Take action against a licensee, including assessment of a civil penalty against the licensee for a violation of ORS 696.020(2); or (4) revise or render null and void an order suspending or revoking a license.

3.

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

4.

STIPULATION AND WAIVER

I, Thomas Shimota, have read and reviewed this Stipulated Final Order and its Findings of Fact, Statements of Law and Conclusions of Law. I understand that the Findings of Fact, Conclusions of Law and this Stipulation and Waiver of Hearing rights embody the full and complete agreement and stipulation between the Agency and me. I further understand that if I

do not agree with this stipulation, I have the right to request a Hearing on this matter and to be represented by legal counsel at such a Hearing. I also understand that any Hearing would be conducted in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon. By signing this Stipulated Final Order, I freely and voluntarily waive my rights to a Hearing, to representation by legal counsel at such a Hearing, and to judicial review of this matter.

I hereby agree and stipulate to the above Findings of Fact and Conclusions of Law and understand that the Order which follows hereafter, which I have also read and understand, may be completed and signed by the Real Estate Commissioner or may be rejected by the Real Estate Commissioner. I further understand that, in accordance with the provisions of ORS 696.445(3), notice of this Order shall be published in the Oregon Real Estate News Journal.

In addition to all of the above, I agree that once the Commissioner executes this Stipulated Final Order, I will accept service of the Stipulated Final Order by email, and hereby waive the right to challenge the validity of service.

17 | ///

1

2

3

4

5

6 7

8

9

10 11

12

13

14

15

16

18 | ///

19 | ///

20 | ///

21 ///

22 | ///

23 | ///

24 ///

25 ///

26 | ///

27 | ///

28 | ///

29 | ///

30 | ///

ORDER IT IS HEREBY ORDERED that, pursuant to ORS 696.990 and based upon the violation set forth above, Shimota pay a civil penalty in the sum of \$500.00, said penalty to be paid to the General Fund of the State Treasury by paying the same to the Agency. IT IS SO STIPULATED: IT IS SO ORDERED: DocuSigned by: DocuSigned by: THOMAS SHIMOTA Steve Strode STEVEN STRODE THOMAS SHIMOTA Real Estate Commissioner Date 1/17/2024 | 1:42 PM PST Date 1/24/2024 | 8:34 AM PST Date of Service: 1/24/2024

REAL ESTATE AGENCY 1 BEFORE THE REAL ESTATE COMMISSIONER 2 3 4 In the Matter of the Real Estate License of 5 STIPULATED FINAL ORDER KAREN WU 6 7 8 9 10 The Oregon Real Estate Agency (Agency) and Karen Wu (Wu) do hereby agree and 11 stipulate to the following: 12 FINDINGS OF FACT 13 AND 14 CONCLUSIONS OF LAW 15 1. 16 1.1 At all times mentioned herein, Wu was licensed as a principal broker with Habitat 17 Resource Properties (HRP). 18 1.2 On March 23, 2023, Wu was notified that her client's trust account ending in -19 4333 (CTA #4333), which holds owner funds, had been selected for reconciliation review. 20 Documents for January 2023 were provided to the Agency. An investigation was opened due 21 to the outstanding issues found in the review. 22 1.3 A review of the owner statements showed negative balances for three owner 23 ledgers, which were identified as 3601 SW River Prkwy Unit 712 (River), 6855 North Campbell 24 Avenue (Campbell), and 8913 Northeast Wygant Street (Wygant). 25 1.4 The total negative balance between the three ledgers was -\$9,135.21. 26 1.5 The owner for the Campbell property is identified as Christine Weilhoefer 27 (Weilhoefer) on the owner statement. In a statement to the Agency, Wu stated she sent owner 28 draws on this account to Patrick Hentges (Hentges) on July 10, 2020, and September 9, 2020, 29 causing negative balances. 30

- (1) Conclusion of Law: By allowing three properties to indicate a negative balance on the owner ledger, Wu violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(3) (1/1/2023 Edition). In addition. Wu violated ORS 696.301(3) as it incorporates ORS 696.890(4)(c) (2021 Edition).
- 1.6 On the owner statement for Campbell, HRP disbursed management fees on January 9, 2023, while having a negative ledger balance.
- 1.7 On the owner statement for Wygant, HRP disbursed management fees on January 9, 2023, while having a negative ledger balance.
- (2) Conclusion of Law: By disbursing management fees from owner accounts of Campbell and Wygant while the accounts had negative ledger balances, Wu violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(6) (1/1/2023 Edition). Wu also violated ORS 696.301(3) as it incorporates ORS 696.890(4)(c)(e) (2021 Edition).
- 1.8 In an interview with Agency Investigator Dylan Ray (Ray), Wu stated she used the software Buildium. Wu stated she paid owners by checks, rather than electronic transfers, which caused payments to not be recorded.
- 1.9 Wu confirmed that she did not know if she had accounting errors, as she has not been able to reconcile her accounts through Buildium.
- 1.10 Wu told Ray that the property owners would tell her if they were missing money, and she has not had any complaints.
- (3) Conclusion of Law: By relying on property owners to notify Wu if there was money missing from their respective owner accounts, Wu violated ORS 696.301(3) as it incorporates ORS 696.890(4)(a)(c)(e) (1/1/2023 Edition).
- 1.11 When asked by Ray, Wu explained that Diana Hoonhout (Hoonhout) is her assistant and created statements in Buildium. Hoonhout started working with Wu in March 2023.
- 1.12 Wu stated that Zhen Wu (Zhen) is her husband, and a licensed realtor. Zhen has access to everything but does not work for the business. Wu added that Zhen is there in case anything happens to her.
- 1.13 Wu explained that Heather Sanchez-Gibson (Heather) is her daughter, and a licensed broker. Heather has been working for the business for a couple of years. Wu stated

- 1.14 Wu told Ray that the delegations of authority had been drafted after speaking to her attorney Jack Graham (Graham), as she did not know they were required prior.
 - 1.15 Wu submitted written delegations of authority to the Agency on May 23, 2023.
- (4) Conclusion of Law: By not having written delegations of authority for persons working for her, Wu violated ORS 696.301(3) and its implementing rule OAR 863-025-0015(1)(3)(b) (1/1/2023 Edition).
- 1.16 Ray asked Wu who is performing HRP's reconciliations. Wu stated that Brenda Kirby assisted with reconciliations in January 2023 to help catch her up.
- 1.17 Wu stated that she had not reconciled her accounts since January 2023, because she needs help.
- (5) Conclusion of Law: By failing to complete client trust account reconciliations since January 2023, Wu violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(2) (1/1/2023 Edition). Wu also violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(1)(j) (1/1/2023 Edition).
- 1.18 On September 14, and 21, 2023, Ray requested Wu, through her attorney Graham, provide the latest reconciliation and the evidence Wu said she could provide that proved the owner accounts did not truly have a negative balance.
- 1.19 On September 26, 2023, Ray requested an update from Graham, and included an additional request for a copy of an owner ledger.
- 1.20 On October 5, 2023, Graham submitted the August 2023 reconciliation. The documents received were the reconciliation document, check register, and schedule A. The check register matches the reconciliation document. The owner ledgers and bank statement were not provided.
- **Conclusion of Law**: By failing to provide the required owner ledger or bank statement as part of the client trust account reconciliation documents, Wu violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(2)(d)(A)(B)(e) (1/1/2023 Edition). Wu also violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(c) (1/1/2023 Edition).

- (7) Conclusion of Law: By failing to provide property management records upon request by the Agency, Wu violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(c) (1/1/2023 Edition). Wu is subject to civil penalty under ORS 696.990(4)(a)(b) (2021 Edition)
- 1.21 All of the above demonstrates incompetence or untrustworthiness in performing acts for which the real estate licensee is required to hold a license and conduct that is below the standard of care for the practice of professional real estate activity in Oregon.
- (8) Conclusion of Law: Based on the foregoing, Licensee is subject to discipline under ORS 696.301(12) and (15) (2021 Edition)
 - 2.
 - 2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.
- 2.2 The Agency reserves the right to investigate and pursue additional complaints that may be received in the future regarding this licensee.
- 2.3 In establishing the violations alleged above, the Agency may rely on one or more of the definitions contained in ORS 696.010.

STIPULATION AND WAIVER

3.

I, Karen Wu, have read and reviewed this Stipulated Final Order and its Findings of Fact, Statements of Law and Conclusions of Law. I understand that the Findings of Fact, Conclusions of Law and this Stipulation and Waiver of Hearing rights embody the full and complete agreement and stipulation between the Agency and me. I further understand that if I do not agree with this stipulation, I have the right to request a Hearing on this matter and to be represented by legal counsel at such a Hearing. I also understand that any Hearing would be conducted in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon. By signing this Stipulated Final Order, I freely and voluntarily waive my rights to a Hearing, to representation by legal counsel at such a Hearing, and to judicial review of this matter.

I hereby agree and stipulate to the above Findings of Fact and Conclusions of Law and understand that the Order which follows hereafter, which I have also read and understand, may be completed and signed by the Real Estate Commissioner or may be rejected by the Real Estate Commissioner. I further understand that, in accordance with the provisions of ORS 696.445(3), notice of this Order shall be published in the Oregon Real Estate News Journal.

In addition to all of the above, I agree that once the Commissioner executes this Stipulated Final Order, I will accept service of the Stipulated Final Order by email, and hereby waive the right to challenge the validity of service.

ORDER

IT IS HEREBY ORDERED that Karen Wu's principal broker license be, and hereby is reprimanded.

IT IS FURTHER ORDERED that, pursuant to ORS 696.990 and based upon the violations set forth above, Wu pay a civil penalty in the sum of \$10,000.00, said penalty to be paid to the General Fund of the State Treasury by paying the same to the Agency.

IT IS SO STIPULATED:

IT IS SO ORDERED:

21

26 27

28 29

30

DocuSigned by:

-E2C2D0097AD8471... STEVEN STRODE

Real Estate Commissioner

Date 2/27/2024 | 8:26 AM PST

Date of Service: 2/27/2024

REAL ESTATE BOARD REGULATION DIVISION REPORT April 1st, 2024

Regulation Division Manager: Elli Kataura

Compliance Specialist 3s (Senior Case Analysts): Meghan Lewis

Financial Investigators (Investigator-Auditors): Lindsey Nunes, Aaron Grimes, Cidia Nañez, John Moore,

Frank Leonard, Dylan Ray

Administrative Specialist 2 (Case Resolution Coordinator): Amanda Moser

Division Overview

The Agency receives complaints and determines if an investigation is appropriate. Open cases are assigned to investigators to gather facts (from interviews and documents), prepare a detailed written report, and submit for Administrative Review. The Senior Case Analysts conducting the Administrative Review work evaluate whether the evidence supports a violation of Agency statutes or administrative rules. When a case finds sufficient cause to sanction a license, the case is elevated to the Commissioner for review. When the Commissioner supports a sanction, the Senior Case Analysts offer a settlement conference to resolve cases without a contested case hearing. If the respondent requests a hearing, the Investigator works with the Assistant Attorney General in preparing for and presenting the case at hearing.

Personnel

We currently have a Senior Case Analyst vacancy.

Workload and Activity Indicators

Average # in this status at the time	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	Current 3/13/24
Complaint	29	24	35	19	21
Investigation	54	46	24	36	53
(# of Investigators)	7	7	6*	6*	6
Admin Review	49	5	6	2	8
Settlement Process	55	7	5	1	11

^{*} We had one investigator that was on extended leave for the majority of 2022-2023.

REAL ESTATE BOARD COMPLIANCE DIVISION REPORT April 1, 2024

<u>Compliance Division Manager:</u> Liz Hayes <u>Compliance Specialist 2:</u> Jen Wetherbee

Compliance Specialist 1: Roger McComas, Rick Marsland, Helen Wilson

Senior Auditor (Escrow): Vacant

Division Overview

The Compliance Division ensures that licensees meet their fiduciary and administrative responsibilities by reviewing financial and administrative records. This division aims to conduct clients' trust account and compliance reviews and develop other compliance-related programs. This work includes providing technical assistance and sharing knowledge on the interpretation and application of laws and rules administered by the Agency (excluding legal advice) to licensees, the public, and other governmental agencies.

Workload and Activity Indicators

As of 03/15/2024	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
ELOA	2	2	4	44	79	81	13	55	101	29
No Violation	356	192	172	375	216	87	10	98	94	20
Open Investigation	5	3	8	10	29	7	2	13	20	5
Resolved								72	182	54
Total Closed	363	197	184	429	324	175	25	238	397	108
(# of Staff)	1	1	1	5	6	6	1	1-2	2	1

As of 03/15/2024	January	February	March
ELOA	10	10	9
No Violation	7	11	2
Open Investigation	3	1	1
Resolved	24	24	6
Total Closed	44	46	18
(# of Staff)	4	4	4

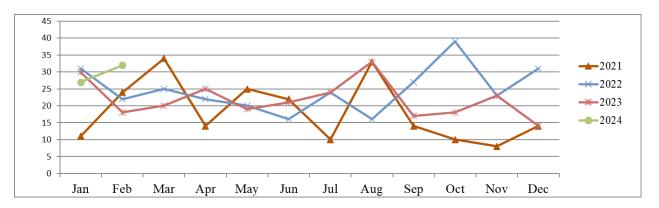
Report to the Real Estate Board Land Development Division April 1st, 2024

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



The division has had 59 filings thru end of February of this year, which is 11 more than thru end of February last year. The above chart compares to the last 3 years.

Rulemaking:

The agency has completed rulemaking on OAR 863-014-0054 and 863-024-0053. The purpose of this rulemaking was to respond to changes in the Servicemembers Civil Relief Act (SCRA) regarding license portability between states.

The agency has also completed rulemaking related to OAR 863-027-0020, the progressive discipline rule. This rulemaking restored paragraphs 4 and 5 back to the rule, which had been previously removed. This was done to ensure the public and licensees are aware of the progressive discipline requirements.

New rulemaking related to wholesaler registrations is in process, details to follow.

Legislative Report: The short session concluded March 7th, 2024.

This legislative session produced two bills of note:

HB 4058

WHAT THE MEASURE DOES:

The measure defines residential property wholesaling and requires individuals engaging in it to register with a system created by the Real Estate Commissioner. It requires real estate licensees representing sellers to act under listing agreements, and those representing buyers to act under representation agreements. It defines a "future right to list contract" and prohibits real estate licensees from participating in them in specified conditions.

Detailed Summary:

Directs the Real Estate Commissioner to establish a system for registering residential property wholesalers, and directs the Real Estate Agency to issue registrations, collect fees, and establish standards for and use of written disclosures. Defines the act of "residential property wholesaling" as marketing residential property for which the wholesaler has held only an equitable interest or option to purchase for fewer than 90 days, and has invested less than \$10,000 in improvements. Sets minimum qualifications for registration. Provides conditions for seller or buyer right of cancellation and awarding of attorney fees. Sets penalties for noncompliance and allows the Commissioner to revoke a registration. Specifies exceptions. Sets an operative date of July 1, 2025, and applies measure's provisions to contracts entered into on or after that date.

Requires a real estate licensee representing a seller to act under a written listing agreement with the seller, and those representing a buyer to act under a written representation agreement with the buyer. Exempts improved properties and those available for improvement by commercial structures or five or more residential dwelling units. Defines "future right to list contract" as a contract granting a right to list, or refer to another for listing, residential real estate for sale in the future. Prohibits real estate licensees from entering into a future right to list agreement or contract if the contract: exceeds 24 months; is binding on the land or future property owners; creates a lien, encumbrance or other real property security interest; or gives the right to provide service without notice to or consent of a residential property owner. Exempts contracts between licensees and corporations, limited liability companies, or partnerships from future right to list provisions.

NOTE: A copy of HB 4058EN is attached to this report.

HB 4063

Section 9 of this bill amended ORS 696.805 to remove the existing paragraph 7, which was the prohibition on a seller's agent accepting any communications other than customary documents in a real estate transaction. This change cleans up the statute to reflect that licensees may accept "love letters" from potential buyers.

AGENDA ITEM NO. VIII.B.4.

REAL ESTATE BOARD ADMINISTRATIVE SERVICES DIVISION REPORT April 1, 2023

Administrative Services Manager: Mesheal Tracy

Accountant: Caty Karayel

Systems Administrator: Tiffani Miller Program Analyst: Rus Putintsev IT Helpdesk: Denise Lewis

Section Overview

The Administrative Services Division serves as the foundation of the Agency's operations by providing comprehensive support in the following areas. accounting, purchasing and contracting, inventory control, facilities, payroll, human resources, special projects, information technology (IT), performance, and communications.

Budget Update

As of January, projected revenue for the 2023-2025 biennium is \$10.4 million. Projected expenses are \$12.9 million, reflecting the \$2 million eLicense replacement project. The anticipated ending cash balance of \$4.3 million represents approximately eight months of operating expenses.

Revenue/Economic Outlook

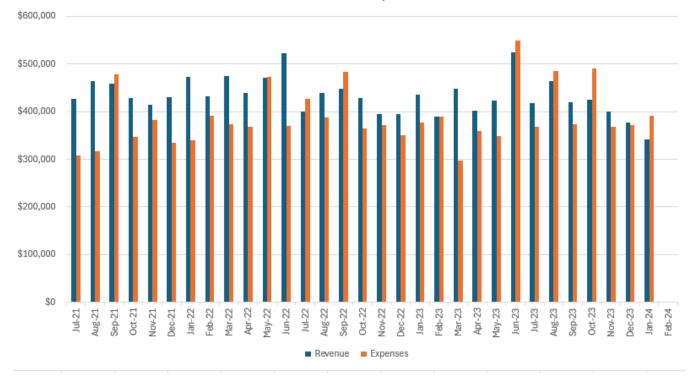
As of January, the average monthly surplus was \$15,775 for the biennium.

The total number of licensees continues a gradual decline, with 24,780 reported at the end of February.

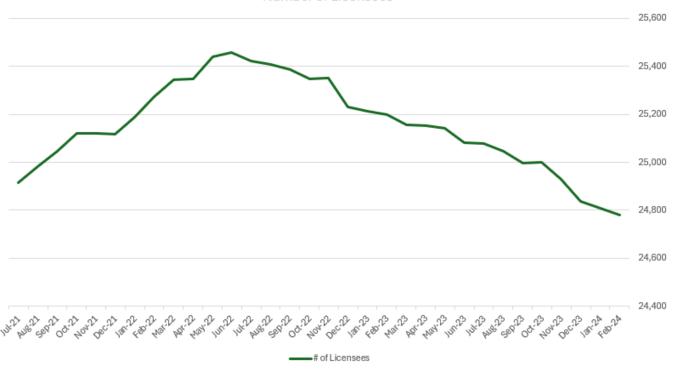
Division Accomplishments

- Mobile Device Management: The Division successfully implemented a new system for managing all agency mobile devices, enhancing security and efficiency.
- Cybersecurity Assessment: The DAS-EIS (Department of Administrative Services-Enterprise Information Systems) cybersecurity assessment of the agency has been rescheduled for the third quarter of 2023.

Revenue and Expenses







Real Estate Agency - AY25 2023-2025 Budget - Biennium to Date

Budget Codes		23-2025 LAB	Expected Total Expenditures for Biennium (current)	Expected Remaining Limitation at end of Biennium
	Total Personal Services	8,696,131	9,061,271	(365,140)
4100 & 4125	In-State Travel & Out-of-StateTravel	107,334	55,011	52,323
4150	Employee Training	40,206	26,191	14,015
4175	Office Expenses	58,989	10,233	48,756
4200	Telecom/Tech Services & Support	70,231	64,659	5,572
4225	State Government Services	646,658	531,221	115,437
4250	Data Processing	118,785	120,860	(2,075)
4275	Publicity & Publications	39,905	1,262	38,643
4300 & 4315	Professional Services & IT Professional Services	378,671	188,754	189,917
4325	Attorney General Legal Fees	365,688	308,330	57,358
4375	Employee Recruitment	8,420	0	8,420
4400	Dues & Subscriptions	10,406	9,059	1,347
4425	Facilities Rent & Taxes	276,712	264,986	11,726
4475	Facilities Maintenance	4,911	19,051	(14,140)
4575	Agency Program Related S&S	982,084	1,015,189	(33,105)
4650	Other Services & Supplies	4,269	185,121	(180,852)
4700	Expendable Property \$250-\$5000	31,678	3,393	28,285
4715	IT Expendable Property	155,803	48,206	107,597
	Total Services & Supplies	3,300,750	2,851,527	449,223
5550	Data Processing Software	2,000,000	2,000,000	0
	Total Capital Outlay	2,000,000	2,000,000	0
	Totals	13,996,881	13,912,798	84,083

REAL ESTATE BOARD EDUCATION & LICENSING DIVISION REPORT April 1, 2024

Education & Licensing Manager: Vacant

<u>Compliance Specialist</u>: Tami Schemmel, Nenah Darville, Katie Nash <u>Administrative Specialist</u>: Elizabeth Hardwick, Kaely Salem, Cory King

Division Overview

The Education and Licensing Division acts as the first point of contact for the public. This division manages reception, licensing services, compliance reviews, client trust account reviews and education.

Personnel

The Division recently hired Cory King into the vacant Administrative Specialist 2 position. Effective March 18, 2024, Maddy Alvarado will no longer be with the Agency as she's accepted a position with the Oregon Department of Justice. Nenah Darville will be acting as lead worker and the Deputy Commissioner will be providing the Division's oversight.

Licensing Update

Escrow organizations must have their annual reports submitted to the Agency by March 31, 2024, and financial statements must be received no later than May 31, 2024. Licensees who fail to meet these requirements will not be eligible to renew their license in June.

RBN Renewal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Eligible to Renew	411	328										
Failed to Renew	17	12										
% Renewed	96%	96%										

Licensing Statistics

Total Licensee Counts by Month:

Individuals (Persons)	<u>Jan-24</u>	<u>Feb-24</u>
_		
Broker – Total	17,588	17,554
Active	15,700	15,587
Inactive	1,888	1,967
Principal Broker - Total	6,210	6,212
Active	5,749	5,775
Inactive	461	437
ALL BROKERS Total	23,798	23,766
Active	21,449	21,362
Inactive	2,349	2,404
Property Manager - Total	994	998
Active	877	876
Inactive	117	122
MCC Salesperson	16	16
MCC Broker	0	0
TOTAL INDIVIDUALS	24,808	24,780
Active	22,342	22,254
Inactive	2,466	2,526
Facilities (Companies)		
REMO	4	4
Registered Business Name		
(RBN)	3,720	3,734
Registered Branch Office	7-0	707
(RBO)	773	767
Escrow Organization	85	85
Escrow Branch	178	178
Condominium Filing (CO)	514	536
Unit Owners Association	787	795
Pre-License Education	0.5	25
Provider (PEP)	25	25
CEP	281	285
MCC Operator	25	25
TOTAL FACILITIES	6,392	6,434
TOTAL INDIVIDUALS & FACILITIES	24 200	24 24 4
B ALL LINES	31,200	31,214

New Licenses by Month:

Individuals (Persons)	Jan-24	Feb-24
Broker	96	134
Principal Broker	13	20
TOTAL BROKERS	109	154
Property Manager	12	6
MCC Salesperson	3	0
MCC Broker	0	0
TOTAL INDIVIDUALS	124	160
Facilities (Companies)		
Continuing Education		
Provider (CEP)	2	4
REMO	0	0
Registered Business Name	28	43
Registered Branch Office	7	6
Escrow Organization	0	0
Escrow Branch	8	0
Condominium Filing	18	23
Unit Owners Association	7	7
Pre-License Ed Provider	0	0
MCC Operator	0	0
TOTAL FACILITIES	68	79
TOTAL INDIVIDUALS		
& FACILITIES	194	243

Exam Statistics February 2024

ALL LICENSING EXAMS Total

Broker	402
Property Manager	19
Principal Broker	36
Reactivation	2

Pass Rates

First Time Pass Rate	<u>2020</u>	<u> 2021</u>	<u> 2022</u>	<u> 2023</u>	<u> 2024</u>
<u>Percentage</u>					
Broker State	50	47	44	42	40
Broker National	68	67	66	64	64
Principal Broker State	53	57	54	47	57
Principal Broker National	63	55	65	54	83
Property Manager	58	66	65	63	77

Oregon Real Estate Agency Education & Licensing Division Licensee Application & Renewal 2024 Data

	New Applications													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>Total</u>	
<u>Brokers</u>	219	204											<u>423</u>	
Principal Brokers	29	24											<u>53</u>	
Property Managers	28	23											<u>51</u>	
<u>Total</u>	276	251											527	

	Renewal Activity													
<u>Brokers</u>		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>Total</u>
On Time	Active	519	498											1017
	Inactive	43	37											80
Late	Active	48	34											82
	Inactive	27	11											38
Lapse		144	126											270
<u>Total</u>		781	706											1487

Principal Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>Total</u>
On Time	Active	213	235											448
	Inactive	13	14											27
Late	Active	8	9											17
	Inactive	3	4											7
Lapse		32	26											58
<u>Total</u>		269	288											557

Oregon Real Estate Agency Education & Licensing Division Licensee Application & Renewal 2024 Data

Property Managers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>Total</u>
On Time	Active	31	28											59
	Inactive	1	2											3
Late	Active	3	2											5
	Inactive	0	1											1
Lapse		11	10											21
<u>Total</u>		46	43											89

			<u>Gran</u>	d Total (B	rokers, Prir	ncipal Brok	ers, Propert	y Manager	s)					
	_	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>Total</u>
Total Eligible to Renew		1096	1037											2133
On Time	Active	763	761											1524
	Inactive	57	53											110
Late	Active	59	45											104
	Inactive	30	16											46
Total Renewed		909	875											1784
Lapse		187	162											349
	_											1		_
% On Time		74.8%	78.5%	%	%	%	%	%	%	%	%	%	%	76.6%
<u>% Late</u>		8.1%	5.9%	%	%	%	%	%	%	%	%	%	%	7.0%
% Failed to Renew (Lapsed)		17.1%	15.6%	%	%	%	%	%	%	%	%	%	%	16.4%
<u>Total</u>		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Oregon Real Estate Agency Education & Licensing Division Licensee Application & Renewal 2023 Data

	New Applications													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
<u>Brokers</u>	262	211	275	209	253	247	228	266	226	178	177	177	<u>2709</u>	
Principal Brokers	37	24	37	16	24	30	32	30	21	25	26	17	<u>319</u>	
Property Managers	26	26	35	24	30	20	21	28	32	20	29	21	<u>312</u>	
<u>Total</u>	325	261	347	249	307	297	281	324	279	223	232	215	3340	

	Renewal Activity														
<u>Brokers</u>	<u>.</u>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>Total</u>	
On Time	Active	482	509	544	527	581	559	557	579	555	540	473	495	6401	
	Inactive	42	28	30	29	28	39	25	39	33	46	34	47	420	
Late	Active	74	48	50	52	67	43	63	57	63	59	50	44	670	
	Inactive	12	8	13	12	12	9	9	8	9	15	9	15	131	
Lapse		111	104	120	121	117	133	168	148	155	137	119	147	1580	
<u>Total</u>		721	697	757	741	805	783	822	831	815	797	685	748	9202	

Principal Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>Total</u>
On Time	Active	206	175	212	230	194	235	252	238	240	210	195	219	2606
	Inactive	20	12	7	10	10	8	9	11	7	7	13	11	125
Late	Active	13	6	9	10	7	13	11	13	11	14	4	11	122
	Inactive	2	3	1	3	1	2	0	6	3	2	4	2	29
Lapse		21	27	27	29	28	29	21	28	27	23	30	28	318
Total		262	223	256	282	240	287	293	296	288	256	246	271	3200

Oregon Real Estate Agency Education & Licensing Division Licensee Application & Renewal 2023 Data

Property Managers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	35	29	35	26	38	29	36	36	27	26	31	36	384
	Inactive	3	1	1	3	2	0	1	1	1	3	1	3	20
Late	Active	3	2	0	2	1	0	4	1	0	1	2	3	19
	Inactive	2	1	0	0	0	1	1	2	0	0	0	0	7
Lapse		5	5	11	9	7	7	6	11	6	6	10	8	91
<u>Total</u>		48	38	47	40	48	37	48	51	34	36	44	50	521

Grand Total (Brokers, Principal Brokers, Property Managers)														
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>Total</u>
Total Eligible to Renew		1031	958	1060	1063	1093	1107	1163	1178	1137	1089	975	1069	12923
On Time	Active	723	713	791	783	813	823	845	853	822	776	699	750	9391
	Inactive	65	41	38	42	40	47	35	51	41	56	48	61	565
Late	Active	90	56	59	64	75	56	78	71	74	74	56	58	811
	Inactive	16	12	14	15	13	12	10	16	12	17	13	17	167
Total Renewed		894	822	902	904	941	938	968	991	949	923	816	886	10934
Lapse		137	136	158	159	152	169	195	187	188	166	159	183	1989

% On Time	76.4%	78.7%	78.2%	77.6%	78.0%	78.6%	75.7%	76.7%	75.9%	76.4%	76.6%	75.9%	77.0%
<u>% Late</u>	10.3%	7.1%	6.9%	7.4%	8.1%	6.1%	7.6%	7.4%	7.6%	8.4%	7.1%	7.0%	7.6%
% Failed to Renew (Lapsed)	13.3%	14.2%	14.9%	15.0%	13.9%	15.3%	16.8%	15.9%	16.5%	15.2%	16.3%	17.1%	15.4%
<u>Total</u>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Oregon Real Estate Agency Education & Licensing Division Phone Counts													
(Minutes: seconds)	Jan – 24	Feb – 24	Mar – 24	Apr – 24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov24	Dec-24	2024 Average
Call Count	1588	1447											1518
Average Wait Time	:30	:42											:36
Maximum Wait Time	0:09:48	0:12:50											0:11:19

Oregon Real Estate Agency Education & Licensing Division Phone Counts														
(Minutes: seconds)	Jan – 23	Feb – 23	Mar – 23	Apr – 23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov23	Dec-23	2023 Average	
Call Count	1642	1368	1603	1428	1438	1286	1283	1468	1382	1445	1222	1265	1403	
Average Wait Time	:33	:32	:35	:28	:28	:35	:38	:29	:32	:29	:40	:30	:32	
Maximum Wait Time	0:11:07	0:11:14	0:10:58	0:09:13	0:10:11	0:16:20	0:09:26	0:11:08	0:11:55	0:11:53	0:10:46	0:10:44	0:11:15	

Oregon Real Estate Agency Education & Licensing Division Phone Counts														
(Minutes: seconds)	Jan – 22	Feb – 22	Mar – 22	Apr – 22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov22	Dec-22	2022 Average	
Call Count	1730	1520	1776	1510	1437	1444	1303	1510	1555	1444	1469	1295	1499	
Average Wait Time	:33	:23	:45	:33	:35	:36	:42	:58	:50	:36	:29	:43	:39	
Maximum Wait Time	0:20:37	0:12:03	0:26:17	0:13:25	0:10:53	0:11:15	0:11:13	0:31:05	0:32:16	0:13:58	0:10:52	0:11:53	0:17:09	