



Oregon

Tina Kotek, Governor

AGENDA ITEM NO.

I.C.

**Notice of Agency
OREGON REAL ESTATE BOARD
Regular Meeting Agenda
Pendleton, OR
August 4, 2025**

Real Estate Agency

775 Summer St. NE, Suite 330

Salem, Oregon 97301-1283

Phone: (503) 378-4170

www.oregon.gov/rea

- I. BOARD BUSINESS - Chair Warren**
 - A. Call to Order
 - B. Chair Warren comments/Roll Call
 - C. Approval of the Agenda and Order of Business
 - D. Approval of 06.02.25, regular meeting minutes
 - E. Date of the Next Meeting: 10.06.25 to begin at 10am, Location: Salem
- II. PUBLIC COMMENT - Chair Warren**
 - 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 Warren Waiver request log.**
 - A. Lisa O'Bannon
- IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER - Chair Warren.**
 - A. Agoff Insurance Agency, LLC
 - B. America's Preferred Home Warranty, Inc
- V. BOARD ADVICE/ACTION - Commissioner Strode**
 - A. Fair Housing Course Outline - for vote approval
 - B. LARRC – for advice
- VI. NEW BUSINESS - Commissioner Strode**
 - A. Rulemaking Timeline
 - B. Timeshare Sales Agent Examination & Course Outline Development Timeline
- VII. ADMINISTRATIVE ACTIONS SUMMARY - Chair Warren**
- VIII. REPORTS – Chair Warren**
 - 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. Licensing Division – Nenah Darville
 5. Administrative Services Division – Reba Dunnington
- IX. ANNOUNCEMENTS – Chair Warren.** Next board meeting: 10.06.25 to begin at 10am, Salem
- X. ADJOURNMENT – Chair Warren**

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



Oregon

Tina Kotek, Governor

AGENDA ITEM NO. I. D.

OREGON REAL ESTATE BOARD Regular Meeting Minutes Videoconference June 2, 2025 10:00 a.m.

Real Estate Agency
775 Summer St. NE, Suite 330
Salem, Oregon 97301-1283
Phone: (503) 378-4170
www.oregon.gov/rea

BOARD MEMBERS PRESENT:

Michael Warren
Stacy Ellingson
Jose Gonzalez
James Komro
Debra Neal
Tom Tapia
LaTasha Beal
Dawn Duerksen

BOARD MEMBERS ABSENT:

Jessenia Juarez

OREA STAFF PRESENT:

Steve Strobe, Commissioner
Anna Higley, Deputy Commissioner
Mesheal Tracy, Policy, Communications & DEI Director
Elli Kataura, Regulation Division Manager
Liz Hayes, Compliance Division Manager
Michael Hanifin, Land Development Division Manager
Reba Dunnington, Administrative Services Division Manager

I. BOARD BUSINESS – Chair Warren

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

MOTION TO APPROVE 06.02.2025 REGULAR MEETING AGENDA AS SUBMITTED BY DAWN DUERKSEN

SECONDED BY STACY ELLINGSON

MOTION CARRIED BY UNANIMOUS VOTE

- D. Approval of 04.07.25, regular meeting minutes

MOTION TO APPROVE 04.07.25 REGULAR MEETING MINUTES AS SUBMITTED BY DEBRA NEAL

SECONDED BY TOM TAPIA

MOTION CARRIED BY UNANIMOUS VOTE

- E. Date of the Next Meeting: 08.04.25 to begin at 10am, Location: Pendleton

II. PUBLIC COMMENT – Chair Warren

- A. None

III. REQUESTS FOR WAIVERS – Chair Warren

- A. John Royston Miller III

MOTION TO APPROVE JOHN ROYSTON MILLER III AS SUBMITTED BY TOM TAPIA

SECONDED BY STACY ELLINGSON

MOTION CARRIED BY YEAS (7), NAYS (1-LATASHA BEAL)

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

- A. John Temple

MOTION TO APPROVE JOHN TEMPLTE AS SUBMITTED BY LATASHA BEAL

SECONDED BY JAMES KOMRO

MOTION CARRIED BY UNANIMOUS VOTE

- B. LiveAble Homes

MOTION TO APPROVE LIVEABLE HOMES AS SUBMITTED BY JAMES KOMRO

SECONDED BY DAWN DUERKSON

MOTION CARRIED BY UNANIMOUS VOTE



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V. BOARD ADVICE/ACTION - Commissioner Strode

- A. None

VI. NEW BUSINESS - Commissioner Strode

- A. Wholesaler Pre-Registration Live
- B. HB 2373 & HB 3137

VII. COMMUNICATIONS - ADMINISTRATIVE ACTIONS SUMMARY – Chair Warren

VII. REPORTS – Chair Warren

- A. Commissioner Strode
- B. Agency division reports-Deputy Commissioner Higley
 1. eLicense Project Update – Mohanaa Tamilselvan
 2. Communications – Mesheal Tracy
 3. Regulation Division – Elli Kataura
 4. Compliance Division – Liz Hayes
 5. Land Development Division – Michael Hanifin
 6. Licensing Division – Anna Higley
 7. Administrative Services Division – Reba Dunnington

VIII. ANNOUNCEMENTS – Chair Warren Next board meeting: 08.04.25 to begin at 10am, Pendelton

IX. ADJOURNMENT – Chair Warren

OREGON REAL ESTATE AGENCY – Experience Requirement Waiver Request Log (2018-2025)

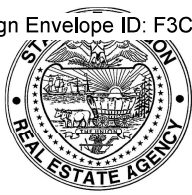
**AGENDA ITEM NO.
III.**

DATE	NAME	LICENSE TYPE	APPROVED/DENIED	FACTS AND BOARD DISCUSSION
04.02.18	Ross Kelley	PB	Denied	<p>FACTS: Ross Kelley requests a waiver of experience to become a principal broker. Mr. Kelley explained his request was based on his legal experience on both residential and commercial real estate and also that his business model would be a small scale of commercial properties. Dave Koch asked Mr. Kelley about his attitude towards managing and Mr. Kelley responded that his goal would be to provide exemplary service and he has reviewed ORS Chapter 696. Mr. Koch asked Mr. Kelley if he had supervision experience and Mr. Kelley responded that has supervised paralegals, attorneys and in his current position as well. Alex MacLean asked Mr. Kelley if he has had any experience with day to day transaction activity and Mr. Kelley responded he has worked with many brokers as well as buyers and sellers.</p> <p>MOTION TO DENY MR. KELLEY’S REQUEST FOR WAIVER OF EXPERIENCE AND RECOMMEND MR. KELLEY MAKE HIS REQUEST AFTER ONE YEAR OF EXPERIENCE BY DAVE KOCH</p> <p>SECOND BY PAT IHNAT</p> <p>MOTION CARRIED BY UNANIMOUS VOTE</p>
06.04.18	Ryan McGraw	PB	Approved	<p>FACTS: Ryan McGraw requests experience waiver to become principal broker. Mr. McGraw appeared and explained the basis for his request for waiver was that he has practiced real estate law in some form for 9 years. He also explained that for the past 2 years he has been the equivalent to a principal broker in California, however, he relocated to Oregon and did not build the business in California. Mr. McGraw obtained his broker license in Oregon about a year ago and has handled some transactions but his goal was to build a residential property management business while continuing to sell homes. Dave Koch asked Mr. McGraw what supervisory experience he had. Mr. McGraw responded that for the last 6 years he has been responsible for supervising 22 staff in his current role. Dave Hamilton asked Mr. McGraw if he was operating as both realtor with a company and also the energy company. Mr. McGraw responded that he was operating as both. Commissioner Bentley clarified the area of concern for board members was Mr. McGraw his lack of experience in supervising new licensees and Mr. McGraw responded that he agreed with that concern and would only take on licensees that are fully experienced. Discussion: Alex MacLean stated although Mr. McGraw’s lack of experience with supervision was a concern Mr. MacLean was in support of approval of this motion. Mr. Koch asked Mr. McGraw to expand on his management process/experience and Mr. McGraw described how he has handled various personnel issues as a manager/supervisor. Jose Gonzalez also expressed his support for approval of this motion. Pat Ihnat asked Mr. McGraw how he handled lease negotiations and Mr. McGraw responded that he has been involved as supervising and also has used brokers.</p> <p>MOTION TO APPROVE RYAN MCGRAW’S REQUEST FOR WAIVER OF EXPERIENCE BY LAWNAE HUNTER</p> <p>SECOND BY PAT IHNAT</p> <p>MOTION CARRIED BY UNANIMOUS VOTE</p>
12.10.18	Joseph Edwards	PB	Withdrawn	Joseph Edwards requests an experience waiver, Mr. Edwards contacted the agency to cancel his appearance due to unsafe road conditions.
04.01.19	Ross Kelley	PB	Denied	<p>Ross Kelley requests experience requirement waiver. Chair Farley asked Mr. Kelley to expand on the basis of his request for a waiver. Mr. Kelley explained that since his appearance before the board about a year ago he had completed two transactions and had a listing pending. Mr. Kelley stated that becoming a principal broker would allow him to provide quality service to his clients and also open his own real estate brokerage firm. DISCUSSION: Alex MacLean expressed his appreciation to Mr. Kelley for appearing before the board for a second time and also encouraged him to continue gaining the required experience to become a principal broker. Jose Gonzalez explained that his personal experience of learning from principal brokers was instrumental for him in becoming a principal broker.</p> <p>MOTION TO DENY ROSS KELLEY’S REQUEST FOR WAIVER BY DEBRA GISRIEL</p> <p>SECOND BY DAVE HAMILTON</p> <p>MOTION CARRIED BY UNANIMOUS VOTE</p>
6.3.19	Ruth Howard	PB	Approved	<p>Ruth Howard requested a waiver of experience to become a principal broker. Howard appeared in person. Howard explained the basis for her request. Worked in real estate as a secretary for an office in 1980. Over the years she owned a small business and leased homes for a retirement community, She then got her real estate license. She was asked by the outgoing principal broker and the president of her current company to become the principal broker despite not having the required experience. Dave Koch asked if Laurie Thiel had comments. Thiel spoke on Howard’s behalf. Koch recused himself from the vote, but recommended approval comments. Thiel spoke on Howard's behalf, Koch recused himself f om the vote, but recommended approval of the request. Pat Ihnat commented that Koch is usually is the one that questions experience waiver requests) and that Koch's support is uncharacteristic. Howard explained how her leasing experience helped her in professional real estate. Lawnae commented favorable on l-loward1s background, Ihnat asked how many are in the office now. Howard responded 20. Lawnae asked about trust accounting experience. Debra Gisriel asked if there is another principal broker</p>

				<p>in the office who can step in, Thiel stated that there are licensees that who could meet the requirements but no one with the desire or skills to manage, Gisriel suggested that Howard take the Principal Broker Advanced Practices course and the Principal Broker Academy right away. Dave Hamilton asked question about transaction issues. Alex MacLean inquired about time line for Bill (current PB in the office) to mentor, number of deals occurring in office and experience of brokers in office. MacLean also asked how many RE/MAX offices are in Portland, where are management meetings held, if other RE/MAX management is available to her as a resource, and what her plans are for growing office. Koch commented on history of office. MacLean confirmed Bill is retiring from management of office, not from real estate business, and asked about Dave Koch's relationship with the office and RE/MAX. Ihnat commented when Howard obtains a principal broker license, she could leave RE/MAX and open her own office. Jef Farley commented on the shortcomings of the law requiring only three years of active licensed experience to obtain a principal broker license.</p> <p>DISCUSSION: Dave Hamilton commented he considers Dave Koch's recommendation. Lawnae agreed. Pat said leasing experience similar. Susan commented on past leasing experience and number of transactions completed.</p> <p>MOTION TO APPROVE RUTH HOWARD'S REQUEST FOR WAIVER OF EXPERIENCE BY PAT IHNAT.</p> <p>SECOND BY DEBRA GISRIEL.</p>
2.3.20	Christopher Ambrose	PB	Approved	<p>Christopher Ambrose, Mr. Ambrose explained that he had been practicing attorney with Ambrose Law Group and an active attorney for approximately 30 years. He also stated that he was one of three owners of Total Real Estate Group LLC, which is a residential brokerage based out of Bend and his waiver request is based on his hands on experience as well as working very closely with the principal broker employed at Total Real Estate Group. Mr. Ambrose reported his company closed approximately 70 ns last year, bringing in 55 million in sales and that he had worked with and assisted in the selection of software. Alex MacLean asked Mr. Ambrose how his becoming a principal broker would affect the current principal broker at the company. Mr. Ambrose explained that he would continue to work closely with the principal broker but focus on managing the office and allocating duties while principal broker would continue to produce. Dave Hamilton asked Mr. Ambrose is the current principal broker was a principal in the company and Mr. Ambrose stated current principal broker is not a principal in the company. Discussion: Pat Ihnat, Dave Hamilton and Kim Heddingler all stated that they advocated the approval of the Mr. Ambrose's waiver request based on his experience in both the legal and real estate industry. Ms. Heddingler asked Mr. Ambrose if his intention was to continue to practice law and Mr. Ambrose affirmed.</p> <p>MOTION TO APPROVE CHRISTOPHER AMBROSE'S WAIVER REQUEST BY ALEX MACLEAN</p> <p>SECOND BY PAT IHNAT</p> <p>MOTION CARRIED BY UNANIMOUS VOTE</p>
12.07.20	Jerry Jones	PB	DENIED	<p>Chair Hunter asked Mr Jones to explain the basis for his waiver request and he responded that he had held various business roles in the real estate industry, such as development projects, commercial management firm. He also explained that he wanted to expand to a brokerage firm and that having the principal broker designation would be a tremendous professional benefit. Susan Glen asked Mr Jones if he was aware of the 3 year requirement previously and re responded that he was aware of the requirement. Marie Due asked Mr. Jones if he had management experience. Mr. Jones explained that he had managed teams of 2 to 3 brokers and upwards of 20. Pat Ihnat stated that managing brokers requires dealing with substantive issues rather than broad management. Jose Gonzalez asked Mr. Jones what options were available to him if his waiver request were to be denied and Mr. Jones replied that the principal broker who plans on retiring would postpone his retirement if necessary.</p> <p>MOTION TO DENY JERRY JONES'S 3 YEAR EXPERIENCE WAIVER REQUEST BY ALEX MACLEAN</p> <p>SECOND BY MARIE DUE</p> <p>MOTION CARRIED BY UNANIMOUS VOTE</p>
12.07.20	Eric Zechnelley	PB		<p>Chair Hunter asked Mr. Zechnelley to explain the basis for his waiver request and he responded that his family owns and operates multiple businesses relating to various areas of real estate, which he has been involved in since he was in high school. He also explained that he received a Master Degree in Real Estate Development from Portland State University. Alex MacLean asked Mr. Zechnelley who he would be managing and what type of business and he responded that the business was a manufactured home company involving commercial real estate transactions and he would be managing a couple of brokers. Pat Ihnat asked Mr. Zechnelley how he believed his degree weighed in on answering questions from brokers and he replied that many of the courses he took covered law/rule content along with transaction processes. DISCUSSION: Pat Ihnat stated although Mr. Zechnelley's experience was with manufactured homes, his course study and degree were impressive. Alex MacLean stated Mr. Zechnelley's would benefit from more management experience.</p> <p>MOTION TO DENY ERIC ZECHNELLEY'S 3 YEAR EXPERIENCE WAIVER REQUEST BY ALEX MACLEAN</p> <p>SECOND BY DAVE HAMILTON</p> <p>MOTION CARRIED BY UNANIMOUS VOTE</p>
02.01.21	Robert Tessmer	PB	MOTION FAILED – TIE VOTE	<p>Chair MacLean asked Mr. Tessmer to explain the basis for his waiver request and he responded that his career had consisted of property searches, purchasing, rebuilding, and renovating. He also explained that as a veteran his goals were to work with</p>

				<p>disabled veterans and assist them with finding homes. Pat Ihnat asked Mr. Tessmer to explain how his experience met with the waiver request requirements and he explained that he his experience included lease negotiations, writing leases, and contract management. Vice Chair Ihnat asked Mr. Tessmer if he planned to employ brokers and he responded that at some point he would be employing brokers. Lawnae Hunter asked Mr. Tessmer to provide a summary of his supervisory experience and he responded that he had vast experience with contract management and managing people with setting their career enhancement guidelines. Lawnae Hunter also asked Mr. Tessmer if he was familiar with the financial responsibilities required of a principal broker. Mr. Tessmer explained that he was familiar with the financial responsibilities. Dave Hamilton asked Mr. Tessmer what experience he had with overseeing several brokers and ensuring that they follow proper guidelines and he responded he would have a business plan in place to facilitate proper supervision. Discussion: Chair MacLean asked Mr. Tessmer to elaborate on his connection to Mr. Larkin. Mr. Tessmer explained that his relationship with Mr. Larkin was as a mentor and seeking his advice/input on certain situations. Susan Glen asked Mr. Tessmer if he had considered working under the supervision of a principal broker for a period of time and he responded that he would not work well in that type of setting or environment.</p> <p>MOTION TO APPROVE ROBERT TESSMER'S EXPERIENCE WAIVER REQUEST BY LAWNAE HUNTER SECOND BY PAT IHNAT MOTION FAILS BY TIE VOTE (AYES: LAWNAE HUNTER, SUSAN GLEN, PAT IHNAT, ALEX MACLEAN. NAYS: MARIE DUE, DEBRA GISRIEL, KIM HEDDINGER, DAVE HAMILTON)</p>
02.01.21	Eric Zechenelly	PB	APPROVED	<p>Eric Zechnelley - Mr. Zechenelly asked Chair MacLean the reason the board denied his previous waiver request on 12.7.20 and both Chair MacLean and Dave Hamilton responded that the reason for the denial was lack his of experience. Vice Chair Ihnat stated that she would be inclined to support Mr Zechenelly's waiver request based on his college degree. David Malcolm, attorney for Mr. Zechenelly, explained that he reviewed the last 5 years of waiver requests and board meeting minutes and determined that Mr. Zechenelly has met the requirements for to qualify for a waiver request.</p> <p>MOTION TO APPROVE ERIC ZECHNELLEY'S WAIVER REQUEST BY PAT IHNAT SECOND BY LAWNAE HUNTER MOTION CARRIED BY UNANIMOUS VOTE</p>
04.05.21	Robert Tessmer	PB	APPROVED	<p>Robert Tessmer - David Malcolm, attorney for Mr. Tessmer explained Mr. Tessmer's qualifications qualifying him for the waiver request. Alex MacLean asked Mr. Malcolm to explain Mr. Tessmer's anticipated supervisory duties would be and Mr. Malcolm responded that Mr. Tessmer had no plans to hire brokers. Pat Ihnat summarized Mr. Tessmer's business plan as a sole proprietor shop, assisting buyers to find property. Debra Gisriel asked Mr. Tessmer is he currently held a brokers' license or taken the principal broker's course work and Mr. Malcolm responded that Mr. Tessmer did not hold a broker's license or taken the principal broker's coursework.</p> <p>MOTION TO APPROVE ROBERT TESSMER'S EXPERIENCE WAIVER REQUIREMENT REQUEST BY LAWNAE HUNTER SECOND BY PAT IHNAT MOTION CARRIED BY 6 AYES (ALEX MACLEAN, PAT IHNAT, MARIE DUE, KIM HEDDINGER, JOSE GONZALEZ, AND LAWNAE HUNTER) AND 3 NAYS (DAVID HAMILTON, SUSAN GLEN, AND DEBRA GISRIEL)</p>
06.07.21	Michael Paluska	PB	APPROVED	<p>Michael Paluska explained his background as an attorney he did not practice litigation and had over 25 years of experience in real estate law. Chair MacLean asked Mr. Paluska what experience he had with continuing education and Mr. Paluska responded that he had provided continuing education for the commercial industry members and for attorneys. Lawnae Hunter asked Mr. Paluska if he intended to operate a traditional brokerage, which would include supervising other brokers and he indicated that was his intention. Chair MacLean asked Mr. Paluska to elaborate on his current supervisory role and he explained that his practice consisted of one attorney and his management experience has been managing staff at various companies that he has owned. Dave Hamilton asked if he intended to continue to run his law firm and Mr. Paluska responded that he would.</p> <p>MOTION TO APPROVE MICHAEL PALUSKA'S REQUEST FOR EXPERIENCE WAIVER BY PAT IHNAT SECOND BY KIM HEDDINGER MOTION CARRIED BY 8 YES VOTES (ALEX MACLEAN, PAT IHNAT, MARIE DUE, JOSE GONZALEZ, DEBRA GISRIEL, LAWNAE HUNTER, SUSAN GLEN, AND KIM HEDDINGER) ONE NO (DAVE HAMILTON)</p>
04.04.22	Dana McNeil	PB	APPROVED	<p>Dana McNeil requested board approval for a 21 month waiver of the 3 year broker experience requirement for the principal broker license. Ms. McNeil outlined her experience of 15 years in commercial real estate, working specifically in the GSA niche in real estate negotiation, project management and construction.</p> <p>MOTION TO APPROVE DANA MCNEIL'S REQUEST FOR EXPERIENCE WAIVER BY ALEX MACLEAN SECOND BY LAWNAE HUNTER MOTION CARRIED BY UNANIMOUS VOTE</p>
06.06.22	Robert Pile	PB	MOTION FAILED – TIE VOTE	<p>MOTION TO APPROVE ROBERT PILE PRINCIPAL BROKER EXPERIENCE WAIVER BY ALEX MACLEAN SECOND BY LAWNAE HUNTER MOTION DOES NOT CARRY WITH SPLIT VOTE– (Gisriel-Nay, Due-Nay, Glen-Nay, Heddingner-Nay, Beal-Aye, Hunter-Aye, MacLean-Aye, Ihnet-Aye)</p>
12.5.22	Robert Pile	PB	APPROVED	<p>MOTION TO APPROVE ROBERT PILE'S REQUEST FOR EXPERIENCE WAIVER BY LAWNAE HUNTER SECOND BY LATASHA BEAL MOTION CARRIED BY UNANIMOUS VOTE</p>

2.6.23	Kristie Hornbeck	PB	MOTION FAILED – TIE VOTE	MOTION TO APPROVE KRISTIE HORNBECK PRINCIPAL BROKER EXPERIENCE WAIVER MOTION BY LAWNAE HUNTER SECOND BY KIM HEDDINGER MOTION DOES NOT CARRY WITH SPLIT VOTE– (Hunter-Aye, Heddinger-Aye, Beal-Aye, Gonzalez-Aye, Due-Nay, Ihnat-Nay, MacLean-Nay, Warren-Nay, Glen-Abstain)
4.3.23	Kristie Hornbeck	PB	APPROVED	MOTION TO APPROVE KRISTIE HORNBECK PRINCIPAL BROKER EXPERIENCE WAIVER MOTION BY LAWNAE HUNTER SECOND BY SUSAN GLEN MOTION CARRIED BY UNANIMOUS VOTE
6.2.25	John Royston Miller III	PB	APPROVED	MOTION TO APPROVE JOHN ROYSTON MILLER III PRINCIPAL BROKER EXPERIENCE WAIVER MOTION BY TOM TAPIA SECOND BY STACY ELLINGSON MOTION CARRIED BY 7 YES VOTES (Michael Warren-Aye, Stacy Ellingson-Aye, Jose Gonzalez-Yea, James Komro-Aye, Tom Tapia-Aye, Debra Neal-Aye, Dawn Duerksen-Aye, LaTasha Beal-Nay)



Experience Requirement Waiver Request

Oregon Real Estate Board

530 Center Street NE Suite

100 Salem OR 97301-2505

Phone: 503-378-4170

Fax: 503-378-2491

www.oregon.gov/rea

Date: 07/01/2025

Name: Lisa Marie O'Bannon

Oregon License Number: 201236531

Address: 140 SW Columbia Street #721

Daytime Phone Number: 503-577-3136

City and State: Portland, OR

Zip Code: 97201

GENERAL INFORMATION AND DOCUMENTATION

1. I am seeking an experience requirement waiver to become a PRINCIPAL REAL ESTATE BROKER. (ORS 696.022 and OAR 863-014-0040): ☒ Yes ☐ No
2. I am currently licensed as a real estate broker in Oregon: ☒ Yes ☐ No
 - a. If yes, state the dates for which you held an Oregon real estate license: 9/8/22 to
 - b. Was your Oregon license obtained through a reciprocal agreement with another state?
☐ Yes ☒ No
3. I am currently licensed or have held a real estate license in another state that was issued by the state's licensing authority: ☐ Yes ☒ No
 If yes, Indicate your license history below:

Type of License	State Issued	Dates Active License Held	
		From:	To:
		From:	To:
		From:	To:

REQUIRED STEPS

	Date Completed	Additional Required Information	Agency Use Only
Submit a letter requesting the waiver of the 3 years of active licensed experience requirement.	07/08/25	<ul style="list-style-type: none"> The reason for the request, including the compelling reason why you cannot wait to complete the three years of active licensed experience. Any real estate experience you have equivalent to 3 years of licensed real estate experience. A description of your knowledge and expertise in adequately managing a real estate business, supervising Oregon real estate licensees, and handling clients' trust accounts 	ND

Submit documentation that you completed the Brokerage Administration and Sales Supervision (BASS) course for principal brokers. Complete PRIOR to submitting a waiver request.	06/10/25	Original course certificate.	ND
Submit documentation that you applied for a principal real estate broker and paid the \$300 application fee in eLicense. Complete this PRIOR to submitting a waiver request.	07/08/25	Copy of confirmation email from Agency.	ND
Successfully pass the Oregon Principal Broker exam. You must pass both portions of the license exam PRIOR to submitting waiver request.	06/10/25	National Score: <u>65</u> State Score: <u>38</u>	ND
Provide the number and type(s) of real estate transactions (listings and transactions that were closed) completed while holding a real estate license in Oregon or in another state.	06/10/25	Attach a document showing the number and types of transactions you have completed while licensed.	ND
Participate in interview with Agency staff to review submission and discuss Board evaluation process.		Agency staff will call to schedule an appointment to review the applicant's submission and the Board presentation requirements. Appointment should be at least 20 days before the scheduled Board meeting.	ND

OPTIONAL STEPS

A four-year college or university degree in real estate curriculum approved by the Commissioner. (OAR 863-014-0042)		Attach official transcript.	
A two-year associate degree in real estate curriculum approved by the Commissioner. (OAR 863-014-0042)		Attach official transcript.	
Substantial real estate-related experience equivalent to at least 3 years active licensed experience. Include any real estate designations achieved. (OAR 863-014-0042)	07/08/25	Attach written details about your additional real estate experience that would assist in the Board's consideration of your waiver request.	ND

OPTIONAL DOCUMENTATION

Letters of reference pertaining to your real estate experience.	07/08/25	Include with application.	ND
Letters of reference from current or past supervising principal brokers.	07/08/25	Include with application.	ND
Documentation of any supervisory experience.		Include with application.	
A description of your familiarity and experience in real estate-related industries, e.g., escrow, title, mortgage.		Include with application.	

IMPORTANT INFORMATION

- **You must submit this waiver application and all supporting documentation no later than 21 days before the scheduled Board meeting during which your waiver application will be discussed.** Email all documentation to nenah.y.darville@rea.oregon.gov.
- Upon receipt of your waiver application, Agency staff will call to schedule an appointment to review your submission and to provide guidance on your presentation to the Board. **This appointment should be at least 20 days before the scheduled Board meeting.**
- **You must attend the Board meeting during which your waiver is discussed.** The Oregon Real Estate Agency will provide you with the Board's schedule upon receipt of your documents. Be prepared to answer questions from the Board to support your request.
- **Any real estate experience not included in this submission will not be considered.**
- **All documents submitted become part of the Board Packet and, therefore, are public record.** The Agency highly recommends that you remove/redact any confidential information on your documents, such as your social security number, date of birth, and credit card information.

Please direct any questions to Nenah Darville at (971) 719-3718 or nenah.y.darville@rea.oregon.gov.

I certify that the above information is true to the best of my knowledge.

Signed by:

Lisa Marie O'Bannon

7/8/2025 | 15:26 PDT

Signature of Waiver Applicant

2025 BOARD MEETING DATES

Submit

MEETING DATE

February 3, 2025
April 7, 2025
June 2, 2025
August 4, 2025
October 6, 2025
December 1, 2025

Waiver Packet Due Date

January 13, 2025
March 17, 2025
May 12, 2024
July 14, 2025
September 15, 2025
November 10, 2025

Lisa Marie O'Bannon
511 SW 10th Avenue, Suite 104
Portland, OR 97205
Lisaobannon11@gmail.com
(503) 577-3136
July 8, 2025

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

Subject: Request for Waiver of Three-Year Active Licensed Experience Requirement

Dear Oregon Real Estate Agency Review Committee,

I am writing to formally request a waiver of the requirement for three years of active licensed real estate experience, as part of the qualifications for becoming a Principal Real Estate Broker. I respectfully ask the Agency to consider my background, experience, and license circumstances in evaluating this request.

Reason for Waiver Request:

An opportunity has been offered to me for a position that requires me to take on the role of a managing principal broker in the office I currently hold my license. Although I have not had an active license for three years, I have relevant real estate experience since 2017 when I began working as a full time, unlicensed assistant to a real estate broker then started the process for broker licensing which was completed in 2020. I was scheduled to take the licensing exam later in 2020, but unfortunately, it was canceled due to the pandemic and subsequently rescheduled. Due to a significant increase in business at the time, I was unable to complete the exam until 2022 which began my active licensure September 8, 2022. I'm asking for the waiver of the requirement for three years of licensing time to be approved as it will be met September 8, 2025. The current principal broker is resigning and our owner of the brokerage would like get me in the position as soon as possible.

Equivalent Real Estate Experience:

December 2017 – June 2023: Unlicensed Assistant/Operations Coordinator at The Troy Team (Troy R. Stevens at Keller Williams Realty Professionals). Prior to licensure, I supported a top-producing team in Oregon, handling transaction compliance, buyer's agent preparations, listing coordination, helped design marketing strategies, and client communication. Assisted in developing systems, workflows, and CRM that support compliance to ensure the business adhered to Oregon laws and professional standards. Upon licensing September 2022, I continued my role as an active Oregon licensee with The Troy Team.

June 2023 – October 2024 Licensed Real Estate Broker at Engel & Völkers Bend. October 2024, transferred to Portland Rose City office upon opening.

Conclusion:

I am confident that my diverse and in-depth experience has provided me with the knowledge and capability to responsibly manage and supervise licensees in Oregon. I am committed to upholding the highest ethical standards and ensuring compliance with all regulatory requirements.

I sincerely appreciate your time and consideration of my request. I am happy to provide additional documentation or references that may support this waiver request.

Respectfully,

Lisa Marie O'Bannon

Oregon Real Estate Broker License # 201236531

Oregon Real Estate Agency

OR Principal Broker - National

Obannon, Lisa
63374 CLEARSTONE DR
BEND, OR 97703-8164
US

CANDIDATE ID NUMBER: *****6531
EXAMINATION DATE: 05/27/2025
CONTROL ID: 504430642
BOOKING ID: KG74693S

Congratulations. You have **passed** this examination. Your score is **65**.
The passing score is **60**.

Content Area	Your Score	Max Score
Property Ownership	7	8
Land Use Controls	4	5
Valuation	6	7
Financing	6	7
Contracts	10	14
Agency	9	9
Property Disclosures	6	6
Property Management	1	4
Transfer of Title	4	6
Practice of real estate	8	10
Real estate calculations	4	4
TOTAL	65	80

THIS IS NOT A LICENSE. Do not conduct professional real estate activity until you are notified by the Oregon Real Estate Agency that you are licensed.

- Your fingerprint results can take up to 4 weeks to reach the Agency.
- The Agency will receive your exam scores in 3 business days.
- Check the status of your license application by logging in to your eLicense account at <https://orea.elicense.irondata.com>.
- Passing exam scores and background clearances are good for 1 year. The Agency can only issue a license while your scores and background clearance are valid.
- The requirements for your specific license can be found via the "Get a License" link at www.oregon.gov/rea.
- Once all license requirements are completed, including association to a registered business name (RBN), the Agency will issue a license.

Oregon Real Estate Agency

OR Principal Broker - State

Obannon, Lisa
63374 CLEARSTONE DR
BEND, OR 97703-8164
US

CANDIDATE ID NUMBER: *****6531
EXAMINATION DATE: 05/23/2025
CONTROL ID: 504420812
BOOKING ID: QXNY9STP

Congratulations. You have **passed** this examination. Your score is **38**.
The passing score is **38**.

Content Area	Your Score	Max Score
License Law and Disciplinary Measures	5	7
Handling of Clients' Funds	3	5
Agency Law and Rules	3	5
Regulation of Broker Activities	6	8
Document Handling and Recordkeeping	4	4
Property Management	6	6
Oregon Real Estate Related Statutes	11	15
TOTAL	38	50

THIS IS NOT A LICENSE. Do not conduct professional real estate activity until you are notified by the Oregon Real Estate Agency that you are licensed.

- Your fingerprint results can take up to 4 weeks to reach the Agency.
- The Agency will receive your exam scores in 3 business days.
- Check the status of your license application by logging in to your eLicense account at <https://orea.elicense.irondata.com>.
- Passing exam scores and background clearances are good for 1 year. The Agency can only issue a license while your scores and background clearance are valid.
- The requirements for your specific license can be found via the "Get a License" link at www.oregon.gov/rea.
- Once all license requirements are completed, including association to a registered business name (RBN), the Agency will issue a license.

Principal Broker Course Completion Certificate

THIS CERTIFICATE WILL VERIFY THAT:

Lisa Obannon

Real Estate License Number: 201236531

Mailing Address of:
828 NW Wall St, Bend, OR 97703

has successfully completed the final examination for the correspondence/Internet study course:

Brokerage Administration and Sales Supervision

The course credit granted is **40 hours** on the date of **August 27, 2024** at www.OnlineEd.com. The date of completion is the date the actual Internet study course examination was actually taken and graded. This course is approved by the Oregon Real Estate Agency to meet the requirements of the Oregon Principal Real Estate Broker - Brokerage Administration and Sales Supervision 40 hour course required as a prerequisite to obtaining an Oregon Principal Real Estate Brokers License.

THIS OFFERING IS UNDER THE TOPIC OF
Brokerage Administration and Sales Supervision

OREGON REAL ESTATE AGENCY CERTIFIED CONTINUING EDUCATION COURSE

PROVIDER COURSE NUMBER: **1038-1039**

THIS COURSE WAS SPONSORED AND THIS CERTIFICATE ISSUED BY:



OnlineEd, LLC.
Chris Culbertson, School Director
14355 SW ALLEN BLVD STE 240, BEAVERTON OR 97005-4700
mail@OnlineEd.com, <https://www.onlineed.com/>
Phone: (503) 670-9278

Certificate Authentication Number: 2868999

This certificate is void if the above authentication number cannot be verified by OnlineEd

Click to verify: <https://www.onlineed.com/VERIFY?D00E-7C12-9002-5074-297B>



Transaction History Experience:

Personally Closed Transactions while holding a real estate license in Oregon - two buyers and one seller.

I worked alongside with Oregon licensee Troy R. Stevens since 2017 and assisted closing over 130 transactions.

Oregon Real Estate Certified License History

CERTIFIED BY:**STATE OF OREGON**
REAL ESTATE AGENCY*530 CENTER ST. NE STE.100*
*SALEM, OR 97301***CURRENT LICENSE INFORMATION**

Licensee Name: LISA MARIE O'BANNON
License Type: BROKER
License Status: ACTIVE
License Number: 201236531
License Expiration: 11/30/2025
Address: 140 SW Columbia Street #721
Portland , OR 97201
Request Date: 07/11/2025

Previously Held License(s) End Date Other Notes**ACTIVE LICENSE TIME**

Supervisor: KELLER WILLIAMS REALTY PROFESSIONALS #200510060
Start Date: 09/08/2022
End Date: 01/13/2023
Active Years: 0
Active Months: 4

Supervisor: KELLER WILLIAMS REALTY CENTRAL OREGON #201214610
Start Date: 01/13/2023
End Date: 06/15/2023
Active Years: 0

Active Months: 5

Supervisor: ENGEL & VOELKERS BEND #201236287

Start Date: 06/15/2023

End Date: 10/14/2024

Active Years: 1

Active Months: 4

Supervisor: ENGEL & VOLKERS PORTLAND ROSE CITY #201257193

Start Date: 10/14/2024

End Date: 07/11/2025

Active Years: 0

Active Months: 9

BASIS OF LICENSURE

WRITTEN EXAMINATION & PRELICENSE EDUCATION

EXAM / DATE

BROKER NATIONAL EXAM / 08/24/2022

BROKER STATE EXAM / 08/17/2022

DISCIPLINARY CASES ASSOCIATED TO LICENSEE

NO DISCIPLINARY ACTIONS

SPECIAL REMARKS

Successfully completed 30 hours of continuing education

DISCLAIMER

This official Certified License History was prepared by the Oregon Real Estate Agency. This record shows a minimum of 7 years of license history preceding the date of the request.

An active license may remain valid beyond the final "end date". This document cannot display end dates beyond its print date.

Letter of recommendation

1 message

Real, Sam <sam.real@engelvoelkers.com> Thu, Jun 5, 2025 at 8:57 AM
To: Lisa O'Bannon <lisa.obannon@engelvoelkers.com>

Dear Oregon Real Estate Agency,

I am writing to formally recommend Lisa O'Bannon for licensure as a Principal Broker in the state of Oregon.

Lisa has been a valued broker at Engel & Völkers Portland Rose City, a brokerage I own, and has consistently demonstrated the highest level of professionalism, ethical conduct, and leadership throughout her time with us. Her knowledge of Oregon real estate law, contract management, and industry standards has been exceptional and aligns with the qualities expected of a Principal Broker.

Lisa recently passed her Principal Broker examination and will be stepping into the role of Principal Broker at our firm. I have full confidence in her ability to lead with integrity, provide sound guidance to our brokers, and ensure compliance with all state rules and regulations.

Please let me know if any further information or documentation is required as you complete the processing of her Principal Broker license.

Best,

Sam Real
License Partner Portland Rose City



ENGEL&VÖLKERS

PRIVATE OFFICE
Engel & Völkers Portland Rose City
[511 SW 10th Avenue](#)
[Portland, OR 97205](#)
[United States](#)
M +1 323-533-1277
sam.real@evrealestate.com
[Engel Völkers RPG](#)
portlandrosecity.evrealstate.com



Download my EVInsider App

Letter of Recommendation for Lisa O'Bannon as a Principal Broker

1 message

Troy Stevens <troy@troyteam.com>

Thu, Jul 3, 2025 at 10:18 PM

To: "O'Bannon, Lisa" <lisa.obannon@engelvoelkers.com>

To Whom It May Concern,

I am writing to strongly recommend Lisa O'Bannon for consideration as a Principal Broker in the State of Oregon.

Lisa has worked with me in various capacities beginning as an Unlicensed Administrative Assistant in 2017. Over the years, she has acquired deep knowledge of the real estate industry and has become especially proficient with the complexities of OREF forms. She has had the benefit of learning from a diverse group of seasoned professionals, including several highly respected Principal Brokers.

Although Lisa has held her Oregon Real Estate license for just three months short of the three-year requirement, I believe she has already demonstrated the knowledge, professionalism, and leadership skills that exceed those of many licensed Principal Brokers. Her dedication, attention to detail, and comprehensive understanding of the industry set her apart.

Given how close she is to meeting the requirement, and based on her proven competence, I respectfully request your consideration in waiving the remaining time needed for Lisa to qualify as a Principal Broker.

Sincerely,

--
Troy R. Stevens
Real Estate Broker
971-230-8769




kw PROFESSIONALS
KELLERWILLIAMS REALTY
9755 SW Barnes Rd. Suite 560, Portland, OR 97225
Each Office is Independently Owned and Operated

www.troyteam.com
troy@troyteam.com
971-230-8769

State of Oregon
Real Estate Agency

Payment Receipt

Transaction Date : 07/08/2025

Receipt # : 302501

Receipt Identification : O'Bannon, Lisa Marie

Cashier : Application

Money Tendered				
Type	Amount	Reference	Payer Name	Payment Comment
Credit Card	\$300.00	ORREAB000292842	Lisa O'Bannon	
Total :	\$300.00			

Distribution						
License	Use Amount	Fee Desc	Business Name	Paid From	Paid To	BY
PB.201236531APP	300.00	Application Fee	Lisa Marie O'Bannon			Application

This receipt is not a license or an authorization to do business.

Close

Custom Print



PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER

Rev. 3/2022

AGENDA ITEM NO.
IV.A.

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 nenah.y.darville@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 Agoff Insurance Agency, LLC Phone Number (541) 780-6923
Physical Address 74 E 18th Ave. Suite 14 Address Cont. _____
City Eugene State OR Zip Code 97401 County Lane
E-mail smoretti@farmersagent.com
Mailing Address (if different) _____ Address Cont. _____
City _____ State _____ Zip Code _____ County _____

AUTHORIZED CONTACT PERSON

Prefix _____ First Name Sharaya Last Name Agoff
Phone Number (530) 962-0789 E-mail smoretti@farmersagent.com

Indicate who will appear before the board on
behalf of the Petitioner:

Sharaya Agoff

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:

- 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.

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

The Agoff Insurance Agency, LLC has been licensed in property and casualty insurance since 2018 and holds license number 3000286904.

As a licensed insurance agency, we bring a high level of expertise in real estate property valuations. Our assessments consider a comprehensive range of factors, including construction type, property age, structural condition, building materials, local labor costs, custom features, architectural complexity, historical relevance, depreciation, inflation, and more. This approach ensures our evaluations are both detailed and aligned with industry standards.

At the heart of our work is a deep commitment to consumer protection. Our role goes beyond providing coverage—we safeguard individuals, families, and businesses from financial harm and identity theft. In today's digital environment, this also includes educating clients on cyber-security best practices, device protection, and promoting proactive risk-reduction strategies.

Additionally, we bring valuable insight into risk management, which is a foundational aspect of both insurance and real estate. Our work involves identifying potential exposures, implementing mitigation plans, and advising on the appropriate coverage to prevent loss—skills that directly support and enhance real estate decision-making.

Through continuing education, we aim to equip real estate professionals with practical, cross-disciplinary knowledge that strengthens their ability to serve and protect clients in an increasingly complex market.

Course topics:

Real estate property evaluation, appraisal, or valuation. Real estate consumer protection.

Risk management.

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.	SA	06/03/2025	ND
I understand the requirements of an education provider as outlined in Oregon Administrative Rules (OAR) Chapter 863, Division 20.	SA	06/03/2025	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.	SA	06/03/2025	ND
Petitioner has demonstrated their experience in providing educational courses to real estate licensees.	SA	06/03/2025	ND

Sharaya Agoff

Date: **06/03/2025**

Printed Name of Authorized Individual


Signature of Authorized Individual

Reset

Print Form



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

AGENDA ITEM NO. IV.B.

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 nenah.y.darville@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 America's Preferred Home Warranty, Inc (APHW, Inc) Phone Number 800.648.5006

Physical Address 5775 Ann Arbor Road Address Cont. _____

City Jackson State MI Zip Code 49201 County Jackson

E-mail mhelfrich@aphw.com

Mailing Address (if different) _____ Address Cont. _____

City _____ State _____ Zip Code _____ County _____

AUTHORIZED CONTACT PERSON

Prefix Ms. First Name Mindy Last Name Helfrich

Phone Number 800.648.5006, ext 185 E-mail mhelfrich@aphw.com

Indicate who will appear before the board on behalf of the Petitioner: Mindy Helfrich

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:

- 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.

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

APHW was formed in Michigan in 09/2000 as a real estate home warranty company with a nationally accredited training program from CPD, The CPD Standards Office, Provider # 22226. APHW also had a A+ Accredited Business from the Better Business Bureau (BBB.)

APHW is approved to teach our course, Home Warranty Disclosure, in 13 other states, which included Colorado, Georgia, Iowa, Louisiana, Maine, Michigan, Minnesota, Nebraska, Ohio, Tennessee, Texas, Utah and Virginia with New Hampshire pending approval.

By understanding and leveraging the benefits of home warranties, real estate agents can provide a higher level of service to their clients and ultimately boost their business success - leading to smoother transactions, happier clients and a stronger professional reputation. When taking our course, Home Warranty Disclosure, real estate agents learn what a home warranty is and how it is used. Our course benefits the buyers agent and listing agents. For a buyers agent, it has increased buyer confidence, stronger client relationships and referrals, protect against liability, reduce post-closing involvement and add a value-added service.

For a listing agent, it attracts more buyers, smoother negotiations, marketing advantage and protection during the listing period.

*Real Estate Disclosure Requirements

* Real Estate Consumer Protection

*Real Estate Contracts

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.	05/12/2025	05/12/2025	ND
I understand the requirements of an education provider as outlined in Oregon Administrative Rules (OAR) Chapter 863, Division 20.	MH	05/15/2025	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.	MH	05/15/2025	ND
Petitioner has demonstrated their experience in providing educational courses to real estate licensees.	MH	05/15/2025	ND

Mindy Helfrich

Date: 05/15/2025

Printed Name of Authorized Individual

Mindy Helfrich

Digitally signed by Mindy Helfrich
Date: 2025.05.15 13:36:51 -04'00'

Signature of Authorized Individual

Reset

Print Form

Draft Rules to Implement HB 3137

Division 14 - REAL ESTATE BROKER LICENSING

863-014-0003 Definitions

As used in this division, unless the context requires otherwise, the following definitions apply:

- (1) "Agency" means the Real Estate Agency with powers pursuant to ORS 696.385.
- (2) "Agency-approved form" means an electronic or paper form approved by the Real Estate Agency.
- (3) "Authorized principal broker" means a managing principal broker or a principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.
- ~~(3)~~ (4) "Birth month" means the month of a licensee's or applicant's date of birth.
- ~~(4)~~ (5) "Board" means the Real Estate Board established pursuant to ORS 696.405.
- ~~(5)~~ (6) "Branch office" is defined in ORS 696.010.
- ~~(6)~~ (7) "Commissioner" means the Real Estate Commissioner described in ORS 696.375.
- ~~(7)~~ (8) "Incapacitated" means the physical or mental inability to perform the professional real estate activities described in ORS 696.010.
- ~~(8)~~ (9) "Legal name" means the first name, middle name and last or surname, without the use of initials or nicknames and is the name given at birth or subsequently acquired through marriage, court order or adoption.
- ~~(9)~~ (10) "Licensed Name" means the name of a real estate licensee as it appears on the current, valid real estate license issued to the licensee pursuant to ORS 696.020.
- (11) "Managing principal broker" as defined in HB 3137 section 2a.
- ~~(10)~~ (12) "Principal broker" means "principal real estate broker," as defined in ORS 696.010.
- ~~(11)~~ (13) "Real estate activity," "professional real estate activity," and "real estate business" mean "professional real estate activity" as defined in ORS 696.010.

~~(12)~~(14) "Real estate broker" as defined in ORS 696.010.

~~(13)~~(15) "Real estate licensee" and "licensee" mean a "real estate licensee" as defined in ORS 696.010, unless the context requires otherwise.

(16)-"Receiving authorized principal broker" means:

(a) The managing principal broker-with whom an active transferring real estate license will be associated after a license transfer; or

(b) A principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.

~~(14)~~(17) "Registered business name" is defined in ORS 696.010.

(18) "Sending authorized principal broker" means:

(a) The managing principal broker with whom an active transferring real estate license is associated before the license transfer; or

(b) A principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.

~~(15)~~(19) "Signed" or "Signature" means original or electronic signature as provided by OAR 863-014-0076.

HB 3137 section 2a (15)

863-014-0035 Real Estate Broker Licensing Requirements

(1) To be eligible for a real estate broker license, an individual must complete the following steps in the order listed:

(a) Submit the required online license application and pay the related fee to the Agency.

(b) Successfully complete the required courses of study for a real estate broker license required by OAR 863-022-0010.

(c) Ensure that the school providing the required course of study certifies to the examination provider that the applicant completed the course as required by OAR 863-014-0020.

(d) Pay the fee to the examination provider and take and pass the real estate broker examination as required by OAR 863-014-0020.

(e) Provide fingerprints for a criminal background check and pay the fee to the fingerprint services provider as required by OAR 863-014-0015.

(2) After the applicant meets the requirements under (1) of this rule, the Agency will complete a background check on the applicant, which includes a criminal background check under OAR 863-014-0015.

(3) A real estate broker must be associated with a **managing** principal broker. Using the online license transfer application available through the Agency's website, **a principal broker an authorized principal broker** must transfer the broker to the registered business name under OAR 863-014-0063.

(4) A currently licensed principal broker who wishes to be licensed as a real estate broker must submit a license application and pay the fee to the Agency required by OAR 863-014-0010.

HB 3137 section 2a (1)

863-014-0040 Principal Real Estate Broker Licensing Requirements

(1) To be eligible for a principal real estate broker license, an individual must complete the following steps in the order listed:

(a) Submit an online license application and pay the fee to the Agency required by OAR 863-014-0010. The license application must include proof satisfactory to the Agency that the applicant has three years of active licensed real estate experience.

(b) If the applicant is not an active, inactive, or expired Oregon real estate broker licensee and has not completed the current required courses of study for a real estate broker license, the applicant must complete such required courses under OAR 863-022-0010.

(c) Ensure that the school providing the courses of study for a real estate broker license under (b) of this section certifies to the examination provider that the applicant completed the course as required by OAR 863-014-0020.

(d) Successfully complete the brokerage administration and sales supervision course required by OAR 863-022-0025.

(e) Ensure that the school providing the brokerage administration and sales supervision course certifies to the examination provider that the applicant completed the course as required by OAR 863-014-0020.

(f) Pay the fee to the examination provider and take and pass the principal broker examination required by OAR 863-014-0020.

(g) If the applicant is not an active, inactive, or expired Oregon real estate licensee, provide fingerprints for a criminal background check and pay the fee to the fingerprint services provider as required by OAR 863-014-0015.

(2) If the applicant is required to submit fingerprints under (1) of this rule, the Agency will complete a background check on the applicant, which includes a criminal background check, as required by OAR 863-014-0015.

(3) After the requirements in (1) and (2) of this rule are met:

(a) Using an online application through the Agency's website, the applicant must ~~specify that the applicant will be registering a~~ register a business name as provided in (4) of this rule; or

(b) Using an online application available through the Agency's website, an ~~active principal broker~~ authorized principal broker must transfer the applicant to the ~~managing~~ principal broker's active registered business name under OAR 863-014-0063. ~~Upon transfer, the~~

principal broker becomes associated with the managing principal broker as provided by ORS 696.022 (House Bill 3137 section 4a).

(4) If an applicant wishes to conduct professional real estate activity under a ~~registered~~ business name registered by the applicant, the applicant must first meet all of the remaining qualifications to obtain the principal broker license and then register a business name under OAR 863-014-0095. ~~Upon registration, the applicant becomes a managing principal broker.~~

(5) If the applicant's qualifications for three years of active experience are based wholly or partially upon an active real estate license held in another state, the applicant must furnish certification of active license history issued by the state(s) where acquired.

(6) A currently licensed real estate broker who ~~has~~ previously held a principal broker license and ~~who~~ wishes to be licensed as a principal broker ~~again~~ must apply for a principal broker license, pay the required fee, and meet all the current qualifications ~~for a principal broker license~~ under this rule.

HB 3137 sections 3, 4

863-014-0054 Authorization for Armed Forces Servicemembers and Their Spouses or Domestic Partners

(1) An active-duty member of the United States Armed Forces who is stationed in this state, or the spouse or domestic partner of such servicemember, may obtain an authorization to conduct professional real estate activity as a real estate broker or principal broker upon completion of the requirements in (2) through (5) of this rule. Such authorization is valid until the earliest of the following:

- (a) Two years from the date of issuance;
- (b) The date the servicemember's term of active-duty service in this state is complete; or
- (c) The date the applicant's license issued by another state expires or is no longer active.

(2) Upon submission of the application for authorization, the applicant must hold an active real estate license of the same real estate license category in another U.S. state and such license or certificate must have been active during the two years immediately preceding the move. The applicant must be in good standing in the state or states in which the applicant is currently licensed.

(3) To apply for authorization, the applicant must:

- (a) Complete an application and pay the related fee as provided in OAR 863-014-0010(1).
- (b) Submit a copy of their or their spouse's or domestic partner's military orders stationing the servicemember in Oregon.
- (c) Furnish certification of active license history issued by the state or states where licensed as required in (2) of this rule.

(4) An applicant seeking authorization to conduct professional real estate activity as a real estate broker must be associated with a **managing** principal broker as provided in OAR 863-014-0035(3).

(5) An applicant seeking authorization to conduct professional real estate activity as a principal real estate broker must either:

- (a) Register a business name using an online application through the Agency's website as provided in OAR 863-014-0095; or
- (b) Have an active principal broker transfer the applicant to an active registered business name under OAR 863-014-0063 using an online application available through the Agency's website.

(6) The authorization to conduct professional real estate activity as a real estate broker or principal broker may not be renewed on expiration. Previous holders of an authorization must reapply and fulfill the requirements of ORS 696.022 and OAR 863-014-0035 or 863-014-0040 in order to conduct professional real estate activity in this state.

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863-014-0060 Limited Licenses and Renewal

(1) If the Commissioner issues an individual a limited license under ORS 696.130, the licensee may submit a written request for an unrestricted license after the period of limitation. The request must include the endorsement of the licensee's **supervising authorized principal** broker, if applicable.

(2) Issuance of an unrestricted license after a period of limitation is dependent upon the Agency's review and approval of the request. The inquiry into the licensee may include, but is not limited to, a check through the Law Enforcement Data System.

(3) A limited licensee may only submit a license renewal application and pay the fee using an online application process, which is available through the Agency's website.

(4) For purposes of this rule, "received by the Agency" means the date a licensee completed the online renewal process and paid the fee required under ORS 696.270.

(5) A limited real estate broker or principal broker license expires if a licensee fails to renew the license on or before the license expiration date. A real estate licensee may not engage in any professional real estate activity after a license expires. A real estate licensee may renew an expired license as provided in this rule.

(6) The Agency may renew a limited real estate license to active status for the term prescribed in OAR 863-014-0030 when the Agency has received the following:

(a) The renewal fee authorized by ORS 696.270; and

(b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under section OAR 863-020-0010.

(7) The Agency may renew a limited real estate license to inactive status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:

(a) The renewal fee authorized by ORS 696.270; and

(b) An online inactive renewal application.

(8) The Agency may renew an inactive limited real estate license to inactive status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:

(a) The renewal fee authorized by ORS 696.270; and

(b) An online inactive renewal application.

(9) The Agency may renew an inactive limited real estate license to active status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:

- (a) The renewal fee authorized by ORS 696.270;
- (b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under OAR 863-020-0010;
- (c) An online transfer application, available through the Agency's website, completed by the receiving **authorized** principal broker under OAR 863-014-0063; and
- (d) An endorsement in writing from the ~~supervising authorized~~ principal broker acknowledging the limited license status and accepting the terms outlined in the stipulated final order.

(10) The Agency may renew an expired limited real estate license to active limited status when the Agency receives, within one year of the date the license expired, the following:

- (a) The renewal fee and a late fee authorized by ORS 696.270;
- (b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee met the license renewal continuing education requirements under OAR 863-020-0010;
- (c) An online license transfer application, available through the Agency's website, completed by the receiving **authorized** principal broker under OAR 863-014-0063; and
- (d) An endorsement in writing from the ~~supervising authorized~~ principal broker acknowledging the limited license status and acceptance of the terms outlined in the stipulated final order.

(11) The Agency may renew an expired limited real estate license to inactive limited license status when the Agency receives, within one year of the date the license expired, the following:

- (a) The renewal fee and a late fee authorized by ORS 696.270; and
- (b) An online inactive renewal application.

(12) When the Agency renews an expired limited license, the renewed license is effective the date the renewal requirements are met. The renewal is not retroactive to the date the license expired and an expired license retains the status of expired during the expiration period.

(13) A limited license renewed under this rule expires two years from the date of the original expiration date.

(14) A limited real estate license that has expired for more than one year is lapsed, as defined in ORS 696.010.

(15) A limited license may not be renewed if it is lapsed, surrendered, suspended, or revoked. Except as provided in OAR 863-014-0075, the former licensee must reapply and meet all the licensing qualifications required of new license applicants.

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863-014-0061 Affiliated and Subsidiary Organizations

- (1) Affiliated organizations are two or more organizations whose controlling ownership interests are owned by the same licensee, licensees, entity, or entities.
- (2) A subsidiary organization is one in which the majority of the voting stock or controlling ownership interest is owned by another organization.
- (3) Affiliated or subsidiary business organizations may ~~use~~ have the same managing principal broker, provided that the individual registering the business name submits proof satisfactory to the commissioner that the ~~principal real estate broker or brokers managing principal broker~~ involved actually manages and controls each affiliated and subsidiary organization.
- (4) As used in this rule, controlling ownership interest(s) means owning 51 percent or more.

HB 3137 section 5

863-014-0063 Real Estate License Transfers, Managing Principal Brokers' Responsibilities, Authority to Use Registered Business Name

(1) As used in this rule;

~~(a) "Authorized licensee" means a principal broker who has authority and is responsible for a registered business name;~~

~~(a)~~ "License transfer application" means an online application that does one of the following:

~~(A)~~ (a) Transfers a real estate broker ~~or principal broker~~ license to a receiving ~~authorized~~ principal broker in order to become associated with the ~~receiving managing~~ principal broker, or

~~(B)~~ (b) Authorizes a real estate ~~broker or principal broker~~ licensee to use a registered business name to conduct professional real estate activity.

~~(c) "Sending principal broker" means the authorized licensee with whom an active real estate broker is associated before the license transfer;~~

~~(d) "Receiving principal broker" means the authorized licensee or principal broker with whom an active real estate broker will be associated after the license transfer.~~

(2) An online license transfer application, available through the Agency's website, includes:

(a) The name of the licensee and license number of the licensee who is being transferred;

(b) The receiving ~~authorized~~ principal broker's ~~or authorized licensee's~~ name, license number, date, signature, and attestation ~~or the authorized~~ authorizing the use of the registered business name.

(3) ~~A~~ The authorized managing principal broker ~~with whom a licensee is associated who supervises the licensee~~ remains responsible for the licensee's professional real estate activity until the Agency receives one of the following:

(a) An online inactivation application available through the Agency's website; or

(b) An online license transfer application and fee.

~~(4) If a principal broker with whom a real estate broker is associated, or the real estate broker doesn't~~ If neither the authorized principal broker who supervises the real estate licensee nor the real estate licensee completes the online inactivation process, the ~~authorized principal broker~~ remains responsible for the licensee's subsequent professional real estate activity until the Agency receives one of the following:

(a) An online inactivation application; or

(b) An online license transfer application and fee.

(5) The Agency will document the registered business name under which a real estate licensee is authorized to conduct professional real estate activity when the Agency receives an online license transfer application, or a new registered business name application, and the transfer fee authorized by ORS 696.270.

(6) Following a license transfer, a real estate broker may continue to engage in professional real estate activity on transactions that began while associated with the sending **authorized** principal broker under the following limitations:

(a) Applies only to transactions involving the sale, exchange, purchase, or lease of real estate where there is a fully executed contract, an active written offer, or counter offer, or a letter of intent;

(b) May only be done with the involved client's documented approval; and

(c) May only be done with written agreement between the sending **authorized** principal broker and the receiving **authorized** principal broker. The written agreement must:

(A) Identify which **authorized principal broker** is responsible for supervision, including record retention;

(B) Identify the transactions or transactions included in the written agreement;

(C) State the effective date of the agreement;

(D) Address agency relationships;

(E) Specify how compensation will be handled; and

(F) Be signed by the sending **authorized** principal broker, receiving **authorized** principal broker, and transferring broker.

(7) Following a license transfer, a principal broker may continue to engage in professional real estate activity on transactions that began while authorized to conduct professional real estate activity for the previous registered business name under the following limitations:

(a) Applies only to transactions involving the sale, exchange, purchase, or lease of real estate where there is a fully executed contract, an active written offer or counter offer, or a letter of intent;

(b) May only be done with the involved client's documented approval; and

(c) May only be done with written agreement between the ~~transferring~~ sending authorized principal broker and the ~~sending~~ receiving authorized principal broker ~~of the previous registered business name~~. The written agreement must:

(A) Identify responsibilities for supervision, as appropriate;

(B) Identify responsibilities for record retention;

(C) Identify the transaction or transactions included in the written agreement;

(D) State the effective date of the agreement;

(E) Address agency relationships;

(F) Specify how compensation will be handled; and

(G) Be signed by the ~~transferring~~ sending authorized principal broker, ~~and sending~~ receiving authorized principal broker, ~~and transferring~~ principal broker.

HB 3137 sections 3, 4

863-014-0065 Inactive License, Change License Status to Active, License Reactivation

- (1) A real estate licensee whose license is on inactive status may not engage in professional real estate activity.
- (2) The Commissioner may reprimand, suspend, revoke, or impose a civil penalty against an inactive licensee under ORS 696.301.
- (3) The Agency will change an active real estate license to inactive license status when the Agency receives the following:
 - (a) An online inactivation application available through the Agency's website completed by the licensee to change the license status to inactive; or
 - (b) An online inactivation application available through the Agency's website completed by the licensee's **authorized** principal broker to change the license status of the licensee to inactive.
- (4) An inactive real estate licensee may be renewed under OAR 863-014-0050.
- (5) For a period of 30 days after a real estate **broker** license becomes inactive, the licensee may change such license status from inactive to active and be transferred by an **authorized** principal broker under OAR 863-014-0063.
- (6) Except as provided in section (7) of this rule, for a period of 30 days after the real estate license becomes inactive, the licensee may become licensed as an active principal broker only if:
 - (a) The licensee is qualified for such license and
 - (b) The licensee submits to the Agency:
 - (A) An Agency-approved application, and
 - (B) Payment of the fee authorized by ORS 696.270.
- (7) If a license has not been on active status for two or more consecutive years, the following steps must be completed in the order listed to reactivate the license:
 - (a) The licensee must pay a fee to the examination provider and take and pass the real estate reactivation examination and as required by OAR 863-014-0020.
 - (b) The licensee must submit an online reactivation application available through the Agency's website and pay the fee to the Agency required under ORS 696.270.

(8) After the 30-day period specified in sections (5) and (6) of this rule, and subject to the examination requirements in section (7) of this rule, the Agency will change the license status from inactive to active after receiving the following:

(a) An online application for license reactivation;

(b) Payment of the reactivation fee authorized by ORS 696.270; and

(c) ~~An online license transfer application available through the Agency's website, completed by the receiving managing principal broker per OAR 863-014-0063. If the reactivating licensee is a principal broker who wishes to conduct professional real estate activity under a new registered business name, the principal broker must first complete the online renewal and pay the fee authorized by ORS 696.270 and then register a business name under OAR 863-014-0095. Upon registration, the applicant becomes a managing principal broker. One of the following, as applicable:~~

~~(i) An online license transfer application available through the Agency's website, completed by the receiving authorized principal broker under OAR 863-014-0063; or~~

~~(ii) For principal brokers who wish to conduct professional real estate activity under a new registered business name, an online application to register the business name under OAR 863-014-0095. Upon registration, the applicant becomes a managing principal broker.~~

(9) The change of license status, transfer, or the reactivation of a license is effective when all requirements are met, applications are completed, and fees are paid.

HB 3137 sections 3, 4

863-014-0085 Authorization to Control Managing Principal Broker's Business

(1) A managing principal broker may authorize another managing principal broker to control and supervise ~~his or her~~ their professional real estate activity and use ~~the authorizing principal broker's~~ their registered business name, ~~if any~~, during ~~the authorizing principal broker's~~ their absence only if:

(a) The authorizing managing principal broker provides written authorization as required by this rule, and

(b) The supervising managing principal broker accepts the supervising responsibility in writing.

(2) Both licensees have joint responsibility for all professional real estate activity conducted during the authorizing managing principal broker's absence.

(3) The written authorization required by this rule must contain the following information:

(a) The authorizing managing principal broker's authorization, including the effective date and the termination date of such authorization, which may not exceed 90 days;

(b) The supervising managing principal broker's affirmation accepting the supervisory responsibility; and

(c) An affirmation by both managing principal brokers acknowledging that they are jointly responsible for the professional real estate activity during the dates of the authorization.

(4) The authorizing managing principal broker may end the authorization before the termination date by filing an amended authorization before the termination date.

(5) The written authorization required by this rule must be received by the Agency before the effective date of such authorization on an Agency-approved form. The Commissioner may allow a later filing for good cause shown.

(6) The Agency will maintain the written authorization as an Agency record.

(7) This rule provides an exception to OAR 863-014-0095(7), which prohibits a managing principal broker from engaging in professional real estate activities under more than one registered business name. That is, a supervising managing principal broker may conduct professional real estate activity under both the authorizing managing principal broker's registered business name and the supervising managing principal broker's registered business name if the parties meet the requirements contained in this rule. This exception

does not allow a **managing** principal broker to conduct professional real estate activity under more than these two registered business names.

HB 3137 section 5

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863-014-0090 Authorization to Temporarily Supervise

(1) When a managing principal broker conducts professional real estate activity not in conjunction with other principal real estate brokers, the managing principal broker may authorize a real estate broker associated with the managing principal broker to temporarily supervise the managing principal broker professional real estate activity only if:

(a) The authorizing managing principal broker provides written authorization as required by this rule; and

(b) The real estate broker accepts the supervisory responsibility in writing.

~~(1) As used in ORS 696.022 and this rule, the following definitions apply:~~

~~(a) "Sole principal real estate broker" means a principal real estate broker who conducts professional real estate activity not in conjunction with other principal real estate brokers; and~~

~~(b) "Supervise" means to conduct the sole principal broker's professional real estate activity, including supervising the professional real estate activity of any real estate brokers and property managers associated with the sole principal real estate broker. It does not include conducting professional real estate activity in conjunction with any other principal real estate broker.~~

~~(2) A real estate broker who is associated with a sole managing principal real estate broker may temporarily supervise the sole managing principal broker's professional real estate activity only if:~~

~~(a) The sole managing principal broker provides written authorization as required by this rule; and~~

~~(b) The real estate broker accepts the supervisory responsibility in writing.~~

~~(3)~~ (2) The written authorization must contain the following information:

(a) Authorization by the **managing sole** principal **real estate** broker, including the effective date and termination date of such authorization, which may not exceed 90 days;

(b) An affirmation by the real estate broker acknowledging that the real estate broker:

(A) Has acquired at least three years of active experience as a real estate broker;

(B) Accepts the supervisory responsibility;

(C) Is bound by and subject to all the statutory and rule requirements of a **managing** principal **real estate** broker during the period of authorization.

(c) An affirmation by both the ~~sole managing~~ principal ~~real estate~~ broker and the real estate broker acknowledging that they are jointly responsible for the real estate broker's supervision of the professional real estate activity during the dates of the authorization.

(4) The ~~sole managing~~ principal ~~real estate~~ broker may end the authorization before the termination date by filing an amended authorization before the termination date.

(5) The written authorization required by this rule must be received by the Agency before the effective date of such authorization on an Agency-approved form. The commissioner may allow a later filing for good cause shown.

(6) The Agency will maintain the written authorization as an Agency record.

HB 3137 sections 4a

863-014-0095 Business Name Registration

(1) Before conducting professional real estate activity in any name, ~~the~~ a principal broker must first register the name with the Agency using an online application process available through the Agency's website. For the purposes of this rule, "registered business name" means any name used to conduct professional real estate activity, including: the licensee's legal name, an assumed name, or the name of a business entity, such as a corporation, partnership, limited liability company, or other business entity recognized by law.

(2) To register a business name, the principal broker must submit to the Agency in an online application, the following:

(a) The business name in which the principal broker wishes to conduct real estate business, which must be the exact name on file with the Oregon Secretary of State or licensee's legal name.

(b) Written authority to register the business name;

(c) For any name used other than the licensee's legal name, a valid, active Oregon Secretary of State Business Registry number; and

(d) The fee authorized by ORS 696.270.

~~(3)~~ Once the registration of the business name is completed, a principal broker becomes the managing principal broker.

~~(4)~~ A licensee A managing principal broker must maintain the registered business name in active status with the Oregon Secretary of State's Corporation Division for any name other than the licensee's legal name.

~~(5)~~ (5) Any change in the business name registered with the Agency must be submitted, with the applicable fee authorized by ORS 696.270, through the online application available on the Agency website.

~~(4)~~ (6) If a managing principal broker wishes to transfer the right to use and the responsibility for a business name that is registered with the Agency, the principal broker acquiring the right to use the name must file a change of business name registration with the Agency together with the fee authorized by ORS 696.270. Upon completion of the change of business name, the principal broker acquiring the right to use the name becomes the managing principal broker.

(7) A licensee must notify the Agency in writing if the licensee terminates its use of a business name.

~~(5)~~ (8) A business name registration becomes void when:

- (a) The Agency receives an online application to void the registration.
- (b) The registration expires.
- (c) When no licensees are affiliated with the registered business name.

~~(6)~~ (9) A voided business name registration may be reactivated by reapplying for the registration and paying the fee authorized by ORS 696.270, unless another licensee has since registered the business name.;

~~(7)~~ (10) Except as provided in OAR 863-014-0085 and this section, no real estate broker or principal broker may engage in professional real estate activities under more than one registered business name. A managing principal broker may engage in professional real estate activities under more than one registered business name if the business entity is an affiliated or subsidiary organization as described in OAR 863-014-0061.

~~(8)~~ (11) The initial term of a business name registration term will expire on the last day of the initial month of registration. The initial term is not less than 12 months and is not more than 12 months plus the number of days between the date the registration is issued and the last day of the initial registration month.

HB 3137 section 5

863-014-0097 Registered Business Name Renewal

- (1) Only an **authorized principal broker** can submit a registered business name renewal application and pay the fee using an online application process, which will be available through the Agency's website.
- (2) For purposes of this rule, "received by the Agency" means the date the **authorized principal broker** completed the online renewal process and paid the fee required under ORS 696.270.
- (3) A registered business name that **is not renewed fails to renew** on or before the registration expiration date will be void.
- (4) If a registered business name **becomes void, all** real estate licensees authorized to conduct professional real estate activity under the name will be inactivated and may not engage in any professional real estate activity until transferred under OAR 863-014-0063.
- (5) A principal broker **that who** wishes to reactivate a voided registered business name must reapply **after a business name expiration** as provided by OAR 863-014-0095. **Upon completion of the new application, the principal broker becomes the managing principal broker.**
- (6) When a new application **for** a voided registered business name has been processed and activated by the Agency, **an authorized managing** principal may then authorize other real estate licensees to conduct professional real estate activity under the registered business name by completing the process under OAR 863-014-0063. Effective dates are not retroactive.
- (7) A registered business name renewed under this rule expires one year from the date of the original expiration date.

HB 3137 section 5

863-014-0100 Branch Office Registration

(1) Before engaging in professional real estate activity from a branch office, an **authorized managing** principal ~~real estate~~ broker must provide to the Commissioner on an online application available through the Agency's website, the branch office street and mailing addresses and the fee authorized by ORS 696.270.

(2) For the purposes of ORS 696.270, a branch office registration does not require renewal.

HB 3137 section 5, 11

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863-014-0160 Deceased or Incapacitated Managing Principal Broker

(1) If the Commissioner issues a temporary license under ORS 696.205, the licensee's activities may be limited to winding up the affairs of the managing principal broker's transactions that are in various stages of completion or termination at the managing principal broker's death or incapacity. These activities may include, but are not limited to:

- (a) Terminating all listings and buyer's service agreements in which there were no outstanding offers or earnest money receipts when the managing principal broker died or became incapacitated;
 - (b) Completing all negotiations between buyers and sellers on open transactions;
 - (c) Depositing and withdrawing monies from the clients' trust account in connection with the completion of all transactions pending when the principal broker died or became incapacitated;
 - (d) Promptly paying all real estate commissions owing after closing all transactions, both to the decedent principal broker's estate and to participating real estate brokers entitled to commissions resulting from the transactions; and
 - (e) Disbursing earnest moneys or other funds according to any outstanding earnest money receipt or other agreement.
- (2) The holder of a temporary license is subject to ORS Chapter 696 and its implementing rules while engaging in professional real estate activity under the terms of the temporary license.

Division 15 - REAL ESTATE BROKER REGULATION

863-015-0000 Applicability and Purpose

(1) This division applies to real estate brokers and principal real estate brokers, as those terms are defined by ORS 696.010.

(2) The purposes of this division are:

(a) To specify the regulations for licensees engaged in professional real estate activities, as that term is defined in ORS 696.010;

(b) To protect the owners, buyers, and sellers of real estate; and

(c) To make the **authorized** principal **real-estate** broker responsible for establishing a system of recordkeeping that:

(A) Provides the Agency with access to the licensees' records and

(B) Complies with the requirements contained in OAR chapter 863 and ORS Chapter 696.

(3) The Agency's goal is to encourage real estate licensees to comply with the applicable statutes and implementing rules through education and, if necessary, through progressive discipline, as provided in OAR chapter 863, division 27.

(4) Section (3) of this rule does not limit the Agency's authority to reprimand, suspend, or revoke a license pursuant to ORS 696.301 or assess civil penalties as authorized by 696.990.

HB 3137 section 16

863-015-0003 Definitions

As used in this division, unless the context requires otherwise, the following definitions apply:

(1) "Addendum" means additional material attached to and made part of a document. The addendum must refer to the document and be dated and signed or otherwise acknowledged by all the parties.

(2) "Agent" is defined in ORS 696.800.

(3) "Agency" means the Real Estate Agency.

(4) "Authorized principal broker" means a managing principal broker or a principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.

(5)(4) "Bank" is defined in ORS 696.010.

(6)(5) "Banking day" means each day a financial institution is required to be open for the normal conduct of its business but does not include Saturday, Sunday, or any legal holiday under ORS 187.010.

(7)(6) "Branch office" is defined in ORS 696.010.

(8)(7) "Buyer" is defined in ORS 696.800.

(9)(8) "Business day" is defined in ORS 696.010.

(10)(9) "Clients' Trust Account" means an account in a "bank," that is subject to the provisions of ORS 696.241.

(11)(10) "Closing" means the transfer of all property titles and the disbursement or distributions of all monies and documents for a real estate transaction.

(12)(11) "Commissioner" means the Real Estate Commissioner described in ORS 696.375.

(13)(12) "Compensation" is defined in ORS 696.010.

(14)(13) "Competitive market analysis" is defined in ORS 696.010.

(15)(14) "Compliance review" means an Agency review of an **authorized** principal **real estate** broker's records and procedures for the purpose of educating the **authorized** principal **real estate** broker on statutes and rules.

(16)(15) "Confidential information" is defined in ORS 696.800.

~~(17)(16)~~ "Cure noncompliance" means an **authorized** principal **real estate** broker's acts that resolve the **authorized** principal **real estate** broker's failure to comply with statutory and rule requirements.

~~(18)(17)~~ "Day" or "days" means each calendar day, including legal holidays under ORS 187.010.

~~(19)(18)~~ "Disclosed limited agency" is defined in ORS 696.800.

~~(20)(19)~~ "First contact with a represented party" means the initial contact by a licensee, whether in person, by telephone, over the Internet, or by electronic mail, electronic bulletin board, or similar electronic method, with an individual who is represented by a real estate licensee or can reasonably be assumed from the circumstances to be represented or seeking representation.

~~(21)(20)~~ "Investigation" means an Agency-initiated investigation of a **principal real estate broker licensee** that may result in administrative actions against the licensee.

~~(22)(21)~~ "Letter opinion" is defined in ORS 696.010.

~~(23)(22)~~ "Listing agreement" is defined in ORS 696.800.

~~(24)~~ "Managing principal broker" is defined in **HB 3137 section 2a(1)(a)**.

~~(23)~~ ~~(25)~~ "Offer" is defined in ORS 696.800.

~~(24)~~ ~~(26)~~ "Offering price" is defined in ORS 696.800.

~~(25)~~ ~~(27)~~ "Principal" is defined in ORS 696.800.

~~(26)~~ ~~(28)~~ "Principal broker" means "principal real estate broker," as defined in ORS 696.010.

~~(27)~~ ~~(29)~~ "Real estate" is defined in ORS 696.010.

~~(28)~~ ~~(30)~~ "Real estate activity," "professional real estate activity," and "real estate business" mean "professional real estate activity" as defined in ORS 696.010.

~~(29)~~ ~~(31)~~ "Real estate broker" is defined in ORS 696.010.

~~(30)~~ ~~(32)~~ "Real estate licensee" and "licensee" mean a "real estate licensee" as defined in ORS 696.010, unless the context requires otherwise.

~~(33)~~ "Real estate teams" is defined in **HB 3137 section 13**.

~~(34)~~ ~~(34)~~ "Real property" is defined in ORS 696.800.

~~(32)~~ ~~(35)~~ "Real property transaction" is defined in ORS 696.800.

~~(33)~~ (36) "Reconciliation review" means a review of an **authorized** principal broker's clients' trust account reconciliation information and documents for compliance with OAR 863-015-0275.

~~(34)~~ (36) "Registered business name" is defined in ORS 696.010.

~~(35)~~ (37) "Sale" and "sold" are defined in ORS 696.800.

~~(36)~~ (38) "Seller" is defined in ORS 696.800.

~~(37)~~ (39) "Timely" means as soon as is practicable under the circumstances.

HB 3137 sections 2a, 4

863-015-0081 Compliance Reviews

- (1) The Agency will provide a **managing** principal broker with written notice at least five business days before conducting a compliance review.
- (2) A compliance review is completed when the Agency delivers a written notice of completion to the **managing** principal broker.
- (3) Except as provided in section (4) of this rule, if the Agency determines that an **authorized** principal broker is not in compliance with ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870, or OAR chapter 863 after the Agency completes a compliance review, the Agency will allow the **authorized** principal broker at least 30 days from the date the compliance review is completed to cure the noncompliance without sanction.
- (4) Upon completion of a compliance review, if the Agency has reasonable grounds to believe that the funds belonging to others may be missing, funds may have been misappropriated, or that the **authorized** principal broker's records are in such a condition that the **authorized** principal broker is placing funds belonging to others at risk the Agency may immediately initiate an investigation without providing an **authorized** principal broker with an opportunity to cure noncompliance.

HB 3137 section 2a

863-015-0092 Reconciliation Review

- (1) The Agency will conduct clients' trust account reconciliation reviews.
- (2) The Agency will provide a **managing** principal broker with written notice of a clients' trust account reconciliation review at least 10 business days before required information and documentation must be provided to the Agency.
- (3) After the Agency reviews the information and documents provided in a reconciliation review, the Agency will take one of the following actions:
 - (a) If the information and documents ~~are in compliance~~ **comply** with statutes and rules, the Agency will provide written notice to the **authorized** principal broker confirming compliance only as to the information and documents provided;
 - (b) If the information and documents indicate that the **authorized** principal broker may be subject to additional documentation and procedural requirements that were not part of the reconciliation review, the Agency will provide written notice to the **authorized** principal broker detailing the Agency's expectations for compliance on those matters;
 - (c) If the information and documents demonstrate that the **authorized** principal broker is not in compliance, the Agency will provide written notice to the **managing** principal broker that:
 - (A) The **authorized** principal broker must cure all noncompliance issues and provide information and documentation to the Agency that the noncompliance has been cured within 30 days of the date of the notice; and
 - (B) If all noncompliance issues are not cured within 30 days, the Agency may:
 - (i) Issue an educational letter of advice;
 - (ii) Impose sanctions on the principal broker; or
 - (iii) Initiate an investigation and not allow additional time for the **authorized** principal broker to cure the noncompliance.
 - (d) If the Agency has reasonable grounds to believe that the funds belonging to others may be missing, funds may have been misappropriated, or that the **authorized** principal broker's records are in such a condition that the **authorized** principal broker is placing funds belonging to others at risk, the Agency may immediately initiate an investigation without providing ~~a~~ **the authorized** principal broker with an opportunity to cure noncompliance.
- (4) If an **authorized** principal broker does not respond to a reconciliation review within the time period required in the notice, the Agency may initiate an investigation.

(5) The Agency may conduct a reconciliation review:

(a) As part of a regular, routine, and random selection of **managing** principal broker clients' trust accounts for reconciliation reviews;

(b) After a compliance review, when the Agency has determined that an **authorized** principal broker was not in compliance and provided the **authorized** principal broker with an opportunity to cure the non-compliance; and

(c) After an investigation has been initiated.

HB 3137 section 2a

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863-015-0125 Advertising

(1) As used in this rule, "advertising" and "advertisement" include all forms of meaningful communication by or on behalf of a real estate broker or principal broker designed to attract the public to the use of services related to professional real estate activity. This includes, but is not limited to:

- (a) Print, including, but not limited to mail, publications, brochures, postcards, business cards, and stationery;
- (b) Signs, including but not limited to lawn signs, displays, and billboards;
- (c) Phone, including but not limited to mobile phone, text messaging, cold calling, and outgoing voicemail messaging;
- (d) Broadcast media, including but not limited to radio, television, podcasts, and video; and
- (e) Electronic media, including but not limited to multiple listing services, websites, email, social media, mobile apps, and other online marketing.

(2) Advertising shall:

- (a) Be identifiable as advertising of a real estate licensee;
- (b) Be truthful and not deceptive or misleading;
- (c) Not state or imply that the licensee is a **managing** principal broker or is responsible for operating the registered business if the licensee is **a real estate broker not a managing principal broker**;
- ~~(d) Not state or imply that the licensee is responsible for operating the registered business if the licensee is a principal broker but not the authorized licensee for the registered business name as defined in OAR 863-014-0063;~~
- ~~(e)~~ (d) Not state or imply that the licensee is qualified or has a level of expertise other than as currently maintained by the licensee; and
- ~~(f)~~ (e) Be conducted only with the written permission of the property owner(s) or authorized agent of the owner(s) if for the purpose of offering real estate for sale, exchange, or lease.

(3) Advertising that includes the licensee's name shall use one of the following:

- (a) The licensee's licensed name;
 - (b) A common derivative of the licensee's first name and the licensee's licensed last name;
- or

(c) An alternative name registered with the Agency per OAR 863-014-0067 and the licensee's license number.

(4) The registered business name, as registered with the Agency, shall be immediately noticeable in all advertising.

(5) Advertising in electronic media is subject to the following requirements:

(a) Advertising shall comply with all other requirements of this rule;

(b) Advertising by a real estate broker or principal broker shall include on its primary or home page:

(A) The licensee's name as required in section (3) of this rule; and

(B) The registered business name as registered with the Agency.

(c) Sponsored links, which are paid advertisements located on a search engine results page, are exempt from the requirements contained in subsection (b) of this section if the first page following the link complies with subsection (b).

(d) An email or text message from a licensee is exempt from the requirements of subsection (b) of this section if the licensee's initial communication contained the information required by subsection (a).

(e) Advertising on social media is exempt from the requirements contained in subsection (b) of this section if the advertising links to the account profile page or a separate page that complies with subsection (b).

(6) No advertising may guarantee future profits from any real estate activity.

(7) A licensee or licensees may ~~use the term "team" or "group" to advertise if~~ advertise as a real estate team under HB 3137 section 12 and OAR 863-015-XXXX Real Estate Teams if:

~~(a) The use of the term does not constitute the unlawful use of a trade name and is not deceptively similar to a name under which any other person is lawfully doing business;~~

~~(b) The team or group includes at least one active real estate licensee;~~

~~(c) The licensee members of the team or group are associated with the same principal broker;~~

~~(d) The licensee member uses the licensee's name as required under section (3) of this rule;~~

(a) The advertising does not state or imply that the real estate team is a separate legal entity from the registered business name;

(b) The registered business name is immediately noticeable in all advertising;

~~(c)~~ (c) If any non-licensed individuals are named in the advertising, the advertising shall clearly state which individuals are real estate licensees and which ones are not; and

~~(d)~~ (d) The advertising complies with all other applicable provisions of ORS Chapter 696 and its implementing rules.

HB 3137 sections 4a, 13

863-015-0130 Listing Agreements

(1) A real estate broker or principal broker who enters into a listing agreement, as defined by ORS 696.800, must give the seller signing the listing agreement a true, legible copy of the signed listing agreement at the time of securing the listing.

(2) In addition to the requirements contained in ORS 696.805, listing agreements must also include:

- (a) An expiration date;
- (b) The licensee's license number;
- (c) A statement of whether the agreement is exclusive or nonexclusive;
- (d) Name and contact information, including telephone number for ~~a~~ the authorized principal broker responsible for supervision of the broker; and
- (e) Signatures by all parties to the agreement.

(3) Listing agreements are prohibited from containing the following:

- (a) Any provision requiring the seller to notify the licensee of the individual's intention to cancel the listing after the stated, definite expiration date;
- (b) Any provision subjecting the seller of the listed property to the payment of two or more commissions for one sale if the seller lists the same property with a second or subsequent real estate broker or principal broker after the first or preceding listing agreement expires or is terminated by mutual agreement.

863-015-0133 Buyer Agreements

A real estate licensee representing a buyer in a residential transaction of residential land or one to four residential units is required to act under a written representation agreement with the buyer. In addition to the requirements contained in ORS 696.810, the representation agreement must also include:

- (1) Licensee's license number;
- (2) The name and contact information including telephone number for ~~a~~ the managing principal broker responsible for supervision of the broker;
- (3) Term, including effective date and expiration date;
- (4) Description of the legal obligations of a buyer's agent as described in ORS 686.810 or by reference to the initial agency disclosure pamphlet delivered per ORS 696.820;
- (5) The buyer's general search criteria, which may include the price range of desired property and the location of desired property;
- (6) An explanation of how buyer's agent may be compensated;
- (7) Representation agreement termination rights provisions for both buyer and licensee; and
- (8) A statement whether the agreement is exclusive or nonexclusive.

863-015-0140 Managing Principal Broker Supervision Responsibilities

(1) A managing principal broker must comply with the supervision and control requirements in HB 3137 section 20 (1).

~~(2) No managing principal broker may allow any individual to use the managing principal broker's license for the sole purpose of allowing other real estate licensees to engage in professional real estate activity when the managing principal broker's only interest is receiving a fee for the use of the managing principal broker's license by others or when the managing principal broker only nominally supervises the professional real estate activity conducted under the principal broker's license.~~

(2) A managing principal broker may not state or imply to current or prospective licensees or the public that the real estate ~~brokers licensees~~ associated with the managing principal broker are not fully subject to the managing principal broker's supervision or are not acting as the managing principal broker's agents.

(3) An authorized principal broker must supervise and control the professional real estate activity at any main or branch office registered by the managing principal broker.

(4) ~~The~~ An authorized principal broker must directly supervise the licensees associated with the managing principal broker in fulfilling their duties and obligations to their respective clients. The authorized principal broker must review each document of agreement generated in a real estate transaction within seven banking days after it has been accepted, rejected, or withdrawn. ~~If the document or agreement originates in a branch office, the principal broker who manages the branch office under ORS 696.200 may review such document.~~ The document review may be done electronically or in hard copy. If the authorized principal broker reviews a document electronically, the authorized principal broker ~~or the principal broker who is the branch office manager~~ must make an electronic record of the review showing the name of the reviewer and the date of the review. If the authorized principal broker reviews ~~such a hard copy document in hard copy~~, the authorized principal broker ~~or principal broker who manages the branch office~~ must initial and date the document in writing at the time of review.

HB 3137 sections 11, 20, 21 and 22

863-015-XXXX Real Estate Teams

(1) One or more real estate licensees associated with the same managing principal broker may form a real estate team with the approval of the managing principal broker under HB 3137 section 13.

(2) Before a real estate team member may supervise or control the actions of any other team members, the member must be an authorized principal broker.

(3) The name of a real estate team:

(a) May include the terms “team” or “group;”

(b) Must not include the terms “realty” or “real estate;”

(c) Must not constitute the unlawful use of a trade name; and

(d) Must not be deceptively similar to a name under which any other person is lawfully doing business.

(4) Real estate teams must comply with the advertising requirements in OAR 863-015-0125, the real estate team disclosure requirements in OAR 863-015-XXXX, and all other applicable provisions of ORS Chapter 696 and its implementing rules.

863-015-XXXX Real Estate Team Disclosure

(1) For purposes of this rule, “at first contact” means at the time the agent has sufficient contact information about a person to be able to provide a real estate team disclosure to that person. Contact with a person includes, but is not limited to contacts in person, by telephone, over the Internet, by electronic mail, or by similar methods.

(2) A member of a real estate team must provide a copy of the real estate team disclosure, which complies with section (5) of this rule, at first contact with:

(a) A prospective party to a real property transaction; or

(b) An unrepresented party seeking representation during the course of a real property transaction.

(3) A member of a real estate team must provide the real estate team disclosure in a written format by email, over the Internet, by USPS mail, facsimile, hand delivery or similar delivery method.

(4) A member of a real estate team does not need to provide a copy of the real estate team disclosure to a party who has received a copy of the disclosure from another member of the same team.

(5) The real estate team disclosure must contain:

(a) The name and role of each member of the real estate team;

(b) Whether individual members of the real estate team are real estate licensees;

(c) The name of any members of the real estate team responsible for supervision and control of some or all members of the real estate team, if any;

(d) The name of the managing principal broker with whom the real estate licensees on the real estate team are associated,

(e) A statement that the real estate team is a subdivision of the registered business name; and

(f) A statement to the effect that the real estate team must have a disclosed limited agency agreement in place before any members of the real estate team may perform any professional real estate activities for a buyer or seller when the real estate team already represents :

(A) Another buyer or seller in the same real estate transaction; or

(B) Another buyer who wants to purchase the same property.

(6) The Real Estate Agency will make available a sample of a real estate team disclosure that complies with section (5) of this rule on the Agency's website.

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863-015-0145 Real Estate Transactions Involving a Licensee as a Principal to the Transaction

(1) If a real estate broker or principal broker, whether active or inactive, either directly or indirectly offers or negotiates for the sale, exchange, lease option, or purchase of real estate within this state and the licensee is a principal to the transaction, the licensee shall disclose to the other party to the offer or transaction that the licensee is a real estate licensee:

(a) On all advertising; and

(b) In writing on at least the first written document of agreement concerning the offer or transaction.

(2) The disclosure set forth on the first written document of agreement also shall state that the real estate licensee is self-represented as either the buyer or the seller in the transaction.

(3) Transactions described in section (1) of this rule of a principal broker shall be processed in the same manner as the licensee's other professional real estate activities and comply with the records requirements under OAR 863-015ex.

(4) Each transaction described in section (1) of this rule of a real estate broker ~~or principal broker~~ associated with a ~~managing~~ principal broker shall be conducted under the supervision of ~~the licensee's an authorized~~ principal broker and all documents and funds shall be transmitted through the ~~authorized~~ principal broker.

(5) If the licensee holds an inactive license while an offer or transaction described in section (1) of this rule is being effected:

(a) The licensee shall place all funds received in or necessary to effect the offer or transaction into a neutral escrow depository within this state; and

(b) The licensee shall maintain documents concerning the matter as required ~~of a principal broker~~ under OAR 863-015-0250.

(6) This section applies to offers and transactions entered into by corporations, partnerships, limited partnerships, or other legal entities in which any real estate licensee, active or inactive, is an owner and where the licensee at any time participates in negotiations concerning the offer or transaction on behalf of the entity. As used in this rule, "owner" means an individual having an ownership interest equaling more than five percent of the total ownership interest in the legal entity.

HB 3137 sections 14, 16, and 20

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863-015-0150 Closing Real Estate Transactions

(1) Unless all parties to the transaction agree in writing to delegate the closing function to an escrow agent licensed in Oregon, an attorney, or another **authorized** principal broker engaged in the transaction, an **authorized** principal broker must promptly close any real estate transaction in which the **authorized** principal broker is the listing broker.

(2) A real estate broker associated with an **authorized** principal broker may handle a closing function only if authorized in writing by the **authorized** principal broker and only under the **authorized** principal broker's direct supervision. A copy of the written authorization bearing the **authorized** principal broker's signature must be maintained in the transaction file.

HB 3137

863-015-0186 Clients' Trust Accounts — Disbursal of Disputed Funds

(1) An **authorized** principal broker may disburse disputed funds in a clients' trust account using the procedures in this rule or may disburse funds in a clients' trust account under the terms of a lawful contractual agreement, by law, or under the provisions of ORS Chapter 696, ORS Chapter 105, or OAR 863-025-0025.

(2) For purposes of ORS 696.241(11) and this rule, "disputed funds" are funds in a clients' trust account delivered by a person to a principal broker pursuant to a written contract and the parties to such contract dispute the disbursal of the funds.

(3) As soon as practicable after receiving a demand by one of the parties for the disbursal of funds in a clients' trust account, the **authorized** principal broker must deliver written notice to all parties that a demand has been made for disbursal of the funds, and that such funds may be disbursed to the party who delivered the funds within 20 calendar days of the date of the demand.

(4) The written notice must include substantially the following information:

(a) A party has made a demand for disbursal of funds, and the **authorized** principal broker may disburse such funds from the clients' trust account to the party who delivered the funds, unless:

(A) The parties enter into a written agreement regarding disbursal of the funds and deliver such agreement to the principal broker within 20 calendar days of the date of the demand for disbursal; or

(B) A party provides proof to the **authorized** principal broker that the party has filed a legal claim to such funds within 20 calendar days of the date of the demand for disbursal;

(b) The **authorized** principal broker has no legal authority to resolve questions of law or fact regarding disputed funds in a clients' trust account;

(c) The disbursal of the funds from the clients' trust account to the party who delivered the funds will end the responsibility of the **authorized** principal broker to account for the funds but will not affect any right or claim a person may have to such funds; and

(d) Both parties may wish to seek legal advice on the matter.

(5) Regardless of whether a party disputes the disbursal of funds as outlined in this rule, if the parties have not entered into a written agreement regarding such disbursal, or if a party has failed to provide proof of filing a legal claim, the **authorized** principal broker may disburse the disputed funds to the person who delivered the funds within 20 calendar days of the date of the demand for disbursal.

(6) Nothing in this rule prevents an ~~authorized~~ principal broker from disbursing such funds pursuant to:

- (a) The terms of the original contract between the parties;
- (b) Any subsequent agreement between the parties regarding the disbursement of funds; or
- (c) The requirements of law.

(7) Nothing in this rule prevents the ~~broker-authorized principal broker~~ from filing an action to interplead the disputed funds.

HB 3137 sections 14, 28

863-015-0200 Agency Relationships

(1) Unless the parties expressly agree to a different relationship not otherwise prohibited by law, the types of agency relationships a real estate licensee may establish in a real estate transaction are limited to the following:

- (a) An agency relationship between a real estate licensee and the seller exclusively;
- (b) An agency relationship between a real estate licensee and the buyer exclusively;
- (c) A disclosed limited agency relationship where one or more real estate licensees associated with the same **managing** principal broker represents both the seller and the buyer in the same real estate transaction;
- (d) A disclosed limited agency relationship where real estate licensees associated with the same **managing** principal broker are designated to represent, respectively, the buyer exclusively and the seller exclusively;
- (e) A disclosed limited agency relationship where one or more real estate licensees associated with the same **managing** principal broker represent more than one buyer in the same real estate transaction.

(2) Unless the parties expressly agree to a different relationship not otherwise prohibited by law:

- (a) A licensee representing a seller by written agreement or course of conduct establishes an agency relationship under sections (1)(a) or (d) above;
- (b) A licensee representing a buyer by written agreement or course of conduct establishes an agency relationship under sections (1)(b) or (d) above;
- (c) A licensee representing both a buyer and a seller or two or more buyers in the same real estate transaction is a disclosed limited agent of both the buyer and seller or all buyers under sections (1)(c) or (e) above,

(3) When an agency relationship is formed between a real estate licensee and a client under section (2) above, the following apply:

(a) In a real estate transaction in which one or more licensees associated with the same managing principal broker establish agency relationships with different parties to the transaction, the managing principal broker is a disclosed limited agent.

~~(a)~~ (b) TheAn authorized principal broker with whom who supervises the licensee is associated is becomes the client's disclosed limited agent;

(b) In a real estate transaction in which different real estate licensees ~~associated with supervised by~~ the same ~~authorized principal broker~~ establish agency relationships with different parties to the real estate transaction, the ~~authorized principal broker is the only becomes a~~ disclosed limited agent of both parties; ~~and~~

(c) In a real estate transaction in which one or more real estate licensees ~~associated with supervised by~~ the same ~~authorized principal broker~~ establish agency relationships with more than one party to the real estate transaction, those licensees and the ~~authorized principal broker are the only become~~ disclosed limited agents of those parties; ~~and~~

(d) In a real estate transaction in which one or more members of a real estate team as defined in HB 3137 section 13 establishes agency relationships with more than one party to the real estate transaction, the disclosed limited agents to the parties are:

(A) The members of the real estate team;

(B) An authorized principal broker who supervises or controls the members of the real estate team; and

(C) The managing principal broker.

(4) Except as provided in sections (2) and (3) above, licensees associated with the same real estate business are not agents of all clients of the real estate business.

(5) Payment, or promise of payment, of a real estate commission or other fee does not by itself create an agency relationship.

(6) A ~~managing~~ principal brokers ~~or authorized principal broker~~ acting as a disclosed limited agent under section (3) above must do each of the following:

(a) Supervise the licensees ~~associated with the principal broker~~ in fulfilling their duties and obligations to their respective clients;

(b) Avoid advocating on behalf of either the seller or the buyer; and

(c) Avoid disclosing or using, without permission, confidential information of any client with whom the ~~managing~~ principal broker ~~or authorized principal broker~~ has an agency relationship.

(7) ~~Real A real~~ estate licensees ~~s associated with a principal broker~~ who is acting as a disclosed limited agent under section (3) above must do both of the following:

(a) Serve as the agent of only the party or parties in the transaction with whom the real estate licensee has established an agency relationship; and

(b) Fulfill the duties owed to the respective client as set forth in **the** ORS 696.815 and as agreed in a disclosed limited agency agreement entered into pursuant to OAR 863-015-0210.

(8) All real estate licensees associated with a **managing** principal broker who are acting as disclosed limited agents under section (2) above must refrain from disclosing or using any confidential information relating to the other party that has been acquired as a result of the licensee's association with the **managing** principal broker, unless authorized to do so by that party.

(9) Nothing in this rule prohibits licensees from disclosing or using factual, non-confidential information relating to all parties to a transaction in order to fulfill a licensee's duties to the client under ORS 696.815.

(10) If an **authorized** principal broker acting as a disclosed limited agent under section (3) above determines that confidential information of one principal to a transaction has become known to another client in the transaction as the result of a violation of this rule, the **authorized** principal broker must promptly and fully disclose the violation to the affected client in writing.

(11) Affirmative duties under ORS 696.805 and 696.810, where appropriate, apply to the agents, principal, other principals, and the principals' agents. The duties do not, however, create fiduciary or other similar duties inconsistent with the actual legal relationship between an agent and other principals to a transaction or that principal's agents.

(12)(a) The Final Agency Acknowledgement of the agency relationships described in this rule and required by ORS 696.845 must be printed in substantially the following form:

FINAL AGENCY ACKNOWLEDGEMENT

Both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and hereby acknowledge and consent to the following agency relationships in this transaction:

(1) _____ (Name of Buyer's Agent) of _____ (Name of Real Estate Firm) is the agent of (check one) ☐ The Buyer exclusively. ☐ The Seller exclusively (Seller Agency)". ☐ Both the Buyer and the Seller ("Disclosed Limited Agency").

(2) _____ (Name of Seller's Agent) of _____ (Name of Real Estate Firm) is the agent of (check one) ☐ The Seller exclusively. ☐ Both the Buyer and the Seller ("Disclosed Limited Agency").

(3) If both parties are each represented by one or more Agents in the same real estate firm, and the Agents are supervised by the same principal broker in that real estate firm, Buyer and Seller acknowledge that said principal broker shall become the disclosed limited agent for both Buyer and Seller as more fully explained in the ~~disclosed~~ Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and Agent(s).

Buyer shall sign this acknowledgment at the time of signing this Agreement before submission to Seller. Seller shall sign this acknowledgment at the time this Agreement is first submitted to Seller, even if this Agreement will be rejected or a counter offer will be made. Seller's signature to this Final Agency Acknowledgment shall not constitute acceptance of the Agreement or any terms therein.

ACKNOWLEDGED

Buyer: _____ Print _____ Dated: _____

Buyer: _____ Print _____ Dated: _____

Seller: _____ Print _____ Dated: _____

Seller: _____ Print _____ Dated: _____

(b) If incorporated as a part of a preprinted agreement, the Final Agency Acknowledgement required by subsection (a) shall appear at the top of the first page of the preprinted agreement, separate and apart from the sale agreement and shall be signed separately from the sale agreement. If the Final Agency Acknowledgement required by subsection (a) is not included within a preprinted agreement, the Final Agency Acknowledgement shall also include the property address or legal description of the subject property, a reference to the attached sale agreement, and shall include separate signature lines for buyers and sellers.

HB 3137 sections 28 and 29

863-015-0205 Disclosed Limited Agency

(1) Licensees must establish the agency relationships described in OAR 863-015-0200(1) only by written agreement. Such agreements must meet all the requirements of OAR 863-015-0210.

(2) A disclosed limited agency relationship exists when a single licensee undertakes by written agreement or **course of** conduct to represent more than one party to a real estate transaction. For the purpose of this rule, two or more buyers are involved in the same real estate transaction when all have submitted offers on the same real property.

(3) Except as provided for in section (5), a disclosed limited agency relationship exists when two or more licensees **supervised by associated with** the same **managing** principal broker undertake by written agreement or **course of** conduct to represent more than one party to a real estate transaction. Notwithstanding the other provisions of this rule, individual agents may be designated to represent the buyer exclusively or the seller exclusively as described in OAR 863-015-0200(1).

(4) The following conditions apply to the disclosed limited agency relationship described in OAR 863-015-0200(1):

(a) The **authorized** principal broker ~~with whom the licensee is associated by whom the licensee is supervised~~ must ensure that a licensee who represents one client will not have access to and will not obtain confidential information concerning another client involved in the same transaction;

(b) In situations where a real estate business has ~~more one or more authorized principal brokers who are not the managing principal broker, two or more principal brokers, each authorized principal broker~~ must be the disclosed limited agent of all clients in the transaction; unless each of the following conditions is met:

(A) The **managing** principal brokers ~~s have entered into an agreement has executed a~~ written **supervisory** agreement ~~with one or more of the authorized principal brokers~~ dividing control and supervision responsibilities. ~~Principal Authorized~~ principal brokers may comply with subsection (a) above by holding open records of real estate activity in different offices or by otherwise initiating procedures that secure open records so as to prevent licensees representing different parties to the same transaction from accessing or obtaining confidential information concerning another party to the transaction;

(B) The licensees designated to represent the seller exclusively and the buyer exclusively are associated with the same **authorized principal broker**. If the **authorized** principal broker has an existing agency relationship with one party to the transaction (either as a seller's

agent or buyer's agent), the **authorized** principal broker, pursuant to the requirements of OAR 863-015-0210, must act as the disclosed limited agent of both parties, and another licensee must be designated to represent the other party exclusively; and

(C) Each client to the transaction has signed a disclosed limited agency agreement that indicates which principal broker will act as the disclosed limited agent in the transaction.

(5) If **a managing principal broker has executed a written supervisory agreement with authorized** principal brokers ~~have entered into a written supervisory agreement~~ dividing control and supervision responsibilities, and **the authorized principal brokers** have individually complied with subsection (4)(a) above by holding open records of real estate activity in different offices or by otherwise initiating procedures that secure open records in such a way as to prevent licensees representing different parties to the same transaction from accessing or obtaining confidential information concerning another principal in the transaction, then ~~a transaction involving agents supervised by with~~ different **authorized principal brokers** ~~is not creates~~ a disclosed limited agency transaction **for the managing principal broker only.**

HB 3137 sections 28, 29

863-015-0210 Disclosed Limited Agency Agreement

(1) Disclosed limited agency agreements required by ORS 696.815 must be in writing, signed and dated by the parties to be bound or by their duly appointed real estate agents.

(2) Each disclosed limited agency agreement must contain the following:

(a) The registered business name under which the representation will take place;

(b) Identification of any existing listing or service agreement between the parties to the disclosed limited agency agreement;

(c) The name(s) of the licensee(s), including the **managing** principal broker, who will represent the client; and

(d) A plain language description of the requirements of ORS 696.815;

(e) Full disclosure of the duties and responsibilities of an agent who represents more than one party to a real estate transaction. This requirement can be met by providing the client with a copy of the initial agency disclosure pamphlet required by ORS 696.820, discussing the portion of the pamphlet entitled "Duties and Responsibilities of an Agent Who Represents More than One Party to a Transaction" with the client, and incorporating the pamphlet into the disclosed limited agency agreement by reference; and

(f) Consent and agreement between the parties to the disclosed limited agency agreement regarding representation of the client in future transactions.

(3) Use of a disclosed limited agency agreement for sellers in substantially the following form is prima facie evidence of compliance with sections (1) and (2) of this rule:

Property Address _____

Addendum to Listing Agreement Dated _____

Real Estate Firm _____

DISCLOSED LIMITED AGENCY AGREEMENT FOR SELLER

The Parties to this Disclosed Limited Agency Agreement are:

Listing Agent (print) _____

Listing Agent's Principal Broker (print) _____

Seller (print) _____

Seller (print) _____

The Parties to this Agreement understand that Oregon law allows a single real estate agent to act as a disclosed limited agent — to represent both the seller and the buyer in the same real estate transaction, or multiple buyers who want to purchase the same property. It is also understood that when different agents associated with the same principal broker (the broker who directly supervises the other agents) establish agency relationships with the buyer and seller in a real estate transaction, the agents' principal broker shall be the only broker acting as a disclosed limited agent representing both seller and buyer. The other agents shall continue to represent only the party with whom they have an established agency relationship, unless all parties agree otherwise in writing.

In consideration of the above understanding, and the mutual promises and benefits exchanged here and in the Listing Agreement, the Parties now agree as follows:

(1) Seller acknowledge they have received the initial agency disclosure pamphlet required by ORS 696.820 and have read and discussed with the Listing Agent that part of the pamphlet entitled "Duties and Responsibilities of an Agent Who Represents More than One Party to A Transaction." The initial agency disclosure pamphlet is hereby incorporated into this Disclosed Limited Agency Agreement by reference.

(2) Seller, having discussed with the Listing Agent the duties and responsibilities of an agent who represents more than one party to a transaction, consent and agree as follows:

(a) The Listing Agent and the Listing Agent's Principal Broker, in addition to representing Seller, may represent one or more buyers in a transaction involving the listed property;

(b) In a transaction involving the listed property where the buyer is represented by an agent who works in the same real estate business as the Listing Agent and who is supervised by the Listing Agent's Principal Broker, the Principal Broker may represent both Seller and Buyer. In such a situation, the Listing Agent will continue to represent only the Seller and the other agent will represent only the Buyer, consistent with the applicable duties and responsibilities as set out in the initial agency disclosure pamphlet; and

(c) In all other cases, the Listing Agent and the Listing Agent's Principal Broker shall represent Seller exclusively.

Seller signature _____

Date _____

Seller signature _____

Date _____

Listing Agent signature _____

Date _____

(On their own and on behalf of Principal Broker)

Broker initial and review date _____

(4) Use of a disclosed limited agency agreement for buyers in substantially the following form is prima facie evidence of compliance with sections (1) and (2) of this rule.

Property Address _____

Addendum to Buyer Service Agreement Dated _____

Real Estate Firm _____

DISCLOSED LIMITED AGENCY AGREEMENT FOR BUYER

The Parties to this Disclosed Limited Agency Agreement are:

Buyer's Agent (print) _____

Buyer's Agent's Principal Broker (print) _____

Buyer (print) _____

Buyer (print) _____

The Parties to this Agreement understand that Oregon law allows a single real estate agent to act as a disclosed limited agent — to represent both the seller and the buyer in the same real estate transaction, or multiple buyers who want to purchase the same property. It is also understood that when different agents associated with the same principal broker (the broker who directly supervises the other agents) establish agency relationships with the buyer and seller in a real estate transaction, the agents' principal broker shall be the only broker acting as a disclosed limited agent representing both seller and buyer. The other agents shall continue to represent only the party with whom they have an established agency relationship, unless all parties agree otherwise in writing.

In consideration of the above understanding, and the mutual promises and benefits exchanged here and, if applicable, in the Buyer Service Agreement, the Parties now agree as follows:

(1) Buyer(s) acknowledge they have received the initial agency disclosure pamphlet required by ORS 696.820 and have read and discussed with the Buyer's Agent that part of the pamphlet entitled "Duties and Responsibilities of an Agent Who Represents More than One Party to A Transaction." The initial agency disclosure pamphlet is hereby incorporated into this Disclosed Limited Agency Agreement by reference.

(2) Buyer(s), having discussed with Buyer's Agent the duties and responsibilities of an agent who represents more than one party to a transaction, consent and agree as follows:

(a) Buyer's Agent and the Buyer's Agent's Principal Broker, in addition to representing Buyer, may represent the seller or another buyer in any transaction involving Buyer;

(b) In a transaction where the seller is represented by an agent who works in the same real estate business as the Buyer's Agent and who is supervised by the Buyer's Agent's Principal Broker, the Principal Broker may represent both seller and Buyer. In such a situation, the Buyer's Agent will continue to represent only the Buyer and the other agent will represent only the Seller, consistent with the applicable duties and responsibilities set out in the initial agency disclosure pamphlet;

(c) In all other cases, the Buyer's Agent and the Buyer's Agent's Principal Broker shall represent Buyer exclusively.

Buyer signature _____

Date _____

Buyer signature _____

Date _____

Buyer's Agent signature _____

Date _____

(On their own and on behalf of Principal Broker)

Broker initial and review date _____

HB 3137 sections 28, 29

863-015-0250 Professional Real Estate Activity Records and Document Transmittal Requirements

(1) Complete and adequate records of professional real estate activity include complete, legible, and permanent copies of all documents required by law or voluntarily generated during a real estate transaction, including all offers received by or through real estate brokers or principal brokers to the client, including, but not limited to, the following:

(a) A copy of any written agreement creating an agency relationship between a real estate broker or principal broker and a client that must be signed by all parties to the agreement.

(b) A copy of any written acknowledgment of an agency relationship between a real estate broker or principal broker and a client that must be signed by all parties to such acknowledgment.

(c) A copy of any written agreement for a listing, **buyer representation**, sale, purchase, rental, lease, lease option, or exchange of real property generated by a real estate broker or principal broker while engaging in professional real estate activity that must be signed by all parties to such agreement.

(d) A copy of any receipt issued by a real estate broker or principal broker to evidence acceptance of funds or documents.

(e) A copy of any vouchers or bills or obligations paid by the real estate broker or principal broker for the account of a client or customer.

(f) A copy of any other document within the scope of the agency relationship provided to or received by a client through a real estate broker or principal broker during the term of an agency relationship.

(g) All financial records as required in OAR 863-015-0255 and 863-015-0275.

(2) When a real estate **licensee broker** receives any document referred to in (1) of this rule, the real estate **licensee broker** must transmit **the document** to the **real estate broker's licensee's authorized** principal broker **the document** within 3 banking days of real estate broker's receipt of the document.

(3) In any real estate transaction in which an **authorized** principal broker performed **or supervised** the closing, the **authorized** principal broker must retain a copy of any closing statement showing **a** receipts, disbursements and adjustments, which must **evidence contain** the signatures of the seller(s) and the buyer(s).

863-015-0255 Clients' Trust Account Requirements

(1) This rule applies to clients' trust accounts that hold funds from transactions involving the sale, purchase, lease option, or exchange of real property. The purpose of clients' trust accounts is to preserve clients' monies and keep them separate from the principal broker's general and personal funds.

(2) Within 10 business days from the date a clients' trust account is opened, the **authorized** principal broker must notify the Agency using an online process established by the Agency. The notification will include the information required in ORS 696.245, including a copy of the completed and signed "Notice of Clients' Trust Account and Authorization to Examine."

(3) Within 10 business days from the date a clients' trust account is closed or transferred, the **authorized** principal broker must notify the Agency using an online process established by the Agency.

(4) ~~Principal~~ **Authorized principal** brokers must retain and store the records described in this rule as required by OAR 863-015-0250 and 863-015-0260. However, where clients' trust accounts are maintained at branch offices, the financial records described in this rule may be maintained and located either at the **managing** principal broker's main office or, if the **authorized** principal broker ~~or branch office manager~~ conducts the real estate business from that branch office, at that branch office.

(5) Checks used to disburse funds from a clients' trust account must be pre-numbered, issued from one numbering sequence, and bear the words "Clients' Trust Account" or "Client Trust Account" upon the face thereof. Principal brokers must account for all checks, including voided checks, as a part of the records they maintain.

(6) A **managing** principal broker may not use **or allow the use of** any form of debit card on clients' trust accounts.

(7) The **authorized principal broker** must retain a copy of each executed agreement required under ORS 696.241 and OAR 863-015-0265 for interest-bearing clients' trust accounts.

HB 3137 sections 5, 14, 15, 16, 20

863-015-0257 Receiving and Disbursing Funds

(1) A real estate broker ~~or principal broker~~ must deliver to the ~~real estate broker's~~ **authorized principal broker** within three banking days any money, checks, drafts, warrants, promissory notes, or other consideration received while conducting professional real estate activity. Absent the buyer's written instructions to the contrary, the real estate broker must transmit all earnest monies to the **authorized** principal broker within three banking days of receipt.

(2) If a real estate broker or principal broker receives a check as earnest money in a transaction:

(a) The check may be held un-deposited until the offer is accepted or rejected, provided that the written sale agreement states that the real estate broker or principal broker is holding the check un-deposited and further states where and when the check will be deposited upon acceptance of the offer; or

(b) If the check is made payable to the seller, the check may be held until the offer is accepted or rejected provided that the written sale agreement states that the real estate broker or principal broker is holding the check until acceptance of the offer.

(3) For a check held pursuant to section (2), the real estate broker or principal broker within three banking days following the acceptance of the offer or a subsequent counter offer must:

(a) Deposit the check into a clients' trust account established under ORS 696.241;

(b) Deposit the check to a licensed neutral escrow depository located within this state, tracking the earnest money deposit from the buyer to the principal broker and to the escrow depository; or

(c) For a check made payable to the seller, deliver the check to the seller.

(4) For all other funds not earnest money, whether in the form of money, checks, drafts or warrants belonging to others and received by a real estate broker or principal broker while engaged in professional real estate activity, the real estate broker or principal broker within five banking days following receipt of the funds must:

(a) Deposit the funds to a licensed neutral escrow depository located within this state;

(b) Deposit the funds into a clients' trust account established under ORS 696.241; or

(c) For a check made payable to the seller, deliver the check to the seller.

(5) If an **authorized** principal broker accepts a credit card payment as funds in a real estate transaction:

(a) The face amount of the credit card payment, without reducing the face amount by any merchant's discount and processing fee charged to the principal broker, is the amount he or she must maintain, use, and refund as necessary; or

(b) The face amount of the credit card payment, reduced by any merchant's discount and processing fee, may be maintained and used by the **authorized** principal broker when he or she has a separate written agreement signed by the credit card user authorizing this reduction. The face amount, including any merchant's discount and processing fees paid by the credit card user, must be refunded to the credit card user when a refund is necessary;

(c) The **authorized** principal broker may not benefit from any of the merchant's discounts or processing fees generated by the use of a credit card;

(d) An **authorized** principal broker's clients' trust account may not be charged or debited for any merchant's discount or processing fees for use of the credit card in such transaction.

(6) If a real estate licensee is a principal in an offer or transaction, all earnest money or other deposits must be handled as provided in OAR 863-015-0145.

(7) All funds deposited into a clients' trust account established under ORS 696.241 and not disbursed or transferred to a neutral escrow depository pursuant to the sale agreement may only be disbursed:

(a) To individuals, as directed by order of court of competent jurisdiction;

(b) To individuals, as directed in writing by one or more principals;

(c) To the court, upon filing by the principal broker of an interpleader action for disputed earnest money funds; or

(d) As provided in OAR 863-015-0186.

(8) If interest earned in a clients' trust account under OAR 863-015-0265 inures to the benefit of the **managing** principal broker, such interest must be disbursed to the **managing** principal broker within ten calendar days from the date of the bank statement on which such interest first appears.

(9) If any forfeited earnest money, earnest money or other money is being paid to the principal broker for compensation and is being held in the client's trust account at the time the transaction is completed or terminated, the money must be disbursed to the **managing**

principal broker within ten calendar days from the date the transaction is completed or terminated.

HB 3137 sections 1, 14, 20

DRAFT

863-015-0259 Recordkeeping and Tracking of Received Funds

(1) For all funds received under OAR 863-015-0257, the **authorized** principal broker must comply with the following requirements:

- (a) Account for all funds received,
- (b) Maintain a copy of any check received, and
- (c) Maintain a dated, acknowledged receipt for any check returned to the offeror.

(2) For all checks received under OAR 863-015-0257 made payable to the seller, the principal broker must also keep the following information:

- (a) Date received,
- (b) Name of payor,
- (c) Purpose of payment,
- (d) File reference assigned to the offer or transaction,
- (e) Date delivered to seller, and
- (f) Documentation of delivery to the seller.

(3) Every deposit made under ORS 696.241 must be made with deposit slips identifying each offer or transaction by a written notation of the file reference assigned to the offer or transaction.

(4) ~~Principal brokers~~ **Authorized principal brokers** must maintain a complete ledger account and record all funds received in their professional real estate activity. This ledger account must show:

- (a) From whom the funds were received,
- (b) The date the funds were received,
- (c) The date the funds were deposited,
- (d) Where the funds were deposited, and
- (e) When the transaction has been completed or the offer has failed, the final disposition of the funds.

(5) ~~Principal brokers~~ **Authorized principal brokers** must record and track the transfer of promissory notes and other forms of consideration by a ledger account or by other means

including, but not limited to, written proof of transmittal or receipt retained in their offer or transaction file.

HB 3137 sections 14, 20

DRAFT

863-015-0260 Records Retention

(1) ~~Principal~~ Authorized principal brokers must maintain and store complete and accurate records of professional real estate activity, ~~including any items generated through email or other electronic means~~, pursuant to ORS 696.280 and OAR 863-015-0250. as follows:

(2) Authorized principal brokers must store records in a secure location protected from unauthorized access.

(3) Records must be stored in a way that prevents unauthorized alteration.

(4) Authorized principal brokers must maintain records in a manner that readily allows for inspection by the Commissioner or the Commissioner's authorized representatives under ORS 696.280.

(5) Authorized principal brokers must, at their expense, provide copies of any records the Agency requests in the manner and form as directed by the Agency.

(6) Electronic signature records and document routing information must be preserved when electronic signature services are used.

~~(a) Records of professional real estate activity may be stored at the principal broker's main office, and records of professional real estate activity originating at a branch office may be maintained and stored at either that branch office or at the principal broker's main office.~~

~~(b) A principal broker may store records of professional real estate activity in a single location within this state other than his or her office, main office, or branch office, in which the records are readily available for inspection, if the principal broker first:~~

~~(A) Notifies the commissioner in writing of the intended removal of such records, includes the address of the new location for such records, and~~

~~(B) Authorizes the commissioner in writing to inspect such records at the new location. Such authorization must include the name of any necessary contact and the means of gaining access to the records for an inspection. The principal broker must notify the commissioner of any change in the contact or means of access within ten days after such change occurs.~~

~~(2) A principal broker must maintain at the principal broker's office a means of viewing copies of documents or records. A principal broker must provide, at his or her expense, a paper copy of any document or record the Agency requests.~~

~~(3) A principal broker may use electronic image storage media to retain and store copies of all listings, deposit receipts, canceled checks, clients' trust account records, and other~~

documents executed by him or her or obtained by him or her in connection with any professional real estate activity transaction under the following conditions:

- (a) The electronic image storage must be non-erasable "write once, read many" ("WORM") that does not allow changes to the stored document or record;
- (b) The stored document or record is made or preserved as part of and in the regular course of business;
- (c) The original record from which the stored document or record was copied was made or prepared by the principal broker, or its employees at or near the time of the act, condition, or event reflected in the record;
- (d) The custodian of the record is able to identify the stored document or record, the mode of its preparation, and the mode of storing it on the electronic image storage;
- (e) The electronic image storage media contains a reliable indexing system that provides ready access to a desired document or record, appropriate quality control of the storage process to ensure the quality of imaged documents or records, and date-ordered arrangement of stored documents or records to ensure a consistent and logical flow of paperwork to preclude unnecessary search time; and
- (f) At least once each month, the principal broker backs up any data that is stored in the computerized system necessary to produce the records. The back-up data must be retained for no less than 60 days and must be made available to the Commissioner or to the Commissioner's authorized representatives on demand.

863-015-0275 Clients' Trust Account Reconciliation and Records

- (1) ~~A principal real estate broker~~ An authorized principal broker must reconcile each clients' trust account at least once each month. The reconciliation must comply with all of the following conditions:
 - (2) The reconciliation must have three components:
 - (a) The bank statement balance, adjusted for outstanding checks and other reconciling bank items;
 - (b) The balance of the receipts and disbursements journal or check book register as of the bank statement closing date; and
 - (c) The sum of all the balances of the individual trust account ledgers as of the bank statement closing date.
 - (3) The balances of each component of the reconciliation must be equal to and reconciled with each other. If any adjustment is needed, the adjustment must be clearly identified and explained.
 - (4) The authorized principal broker must verify, sign, and date the reconciliation when completed.
 - (5) Outstanding checks must be listed by check number, issue date, payee, and amount.
 - (6) The authorized principal broker must preserve and file in logical sequence the reconciliation worksheet, bank statements, and all supporting documentation, including but not limited to, copies of the receipts and disbursements journal or check book register and a listing of each individual clients' trust fund account with a balance as of the reconciliation date. If these records are computerized, they must be printed out for filing with the reconciliation.
 - (7) All reconciling items must be identified and cleared promptly.

HB 3137 sections 14, 16, 20

Division 20 – REAL ESTATE CONTINUING EDUCATION

863-020-0000 Applicability and Purpose

(1) This division applies to ~~licensed~~ real estate brokers, principal real estate brokers, and real estate property managers; licensees. It also applies to continuing education providers; and instructors who teach courses for continuing education providers. It does not apply to timeshare sales agents.

(2) For all applicable real estate licensees, the purpose of this division is to set forth continuing education requirements for licensee renewals, including:

(a) Courses that meet the requirements for course topics and learning objectives in this division 20;

(b) A Board-approved Law and Rule Required Course, described in OAR 863-022-0055, required for all applicable licensees;

(c) A Board-approved State and Federal Fair Housing Course, described in OAR 863-022-XXXX, required for all applicable licensees;

~~(c)~~(d) A ~~27~~26-hour broker advanced practices course, described in OAR 863-022-0020, required for real estate brokers before the first active renewal of the broker's license or before the first license reactivation following an inactive first renewal;

~~(d)~~(e) A ~~27~~26-hour principal broker advanced practices course described in OAR 863-022-0021, required for principal real estate brokers before the first active renewal of the principal broker's license or before the first license reactivation following an inactive first renewal;

~~(e)~~(f) A ~~27~~26-hour property manager advanced practices course described in OAR 863-022-0022, required for licensed real estate property managers before the first active renewal of the property manager's license or before the first license reactivation following an inactive first renewal;

~~(f)~~(g) The 40-hour brokerage administration and sales supervision course, described in OAR 863-022-0025, for an initial principal real estate broker license application; and

~~(f)~~(g) Continuing education record-keeping requirements for all applicable licensees.

(3) For continuing education providers, the purpose of this division is to set forth:

(a) The application requirements for certification as a real estate continuing education course provider; and

(b) The responsibilities of continuing education course providers; including:

(A) Ensuring that courses offered by the provider meet the eligible course topics, learning objectives, and length of course requirements;

(B) Maintaining required records in paper or electronic format, as directed by the Agency.

(C) Providing real estate licensees with certificates of completion for each course that meet the requirements for certificates of completion; and

(D) Ensuring that each instructor who will teach a course offered by a provider meets instructor qualifications and completes a continuing education instructor form.

(4) For instructors who teach courses for continuing education providers, the purpose of this division is to set forth the instructor qualifications, set out on the instructor form that is completed by the instructor and given to the continuing education provider.

HB 3137 section 9, 10 and HB 2373 section 9

863-020-0005 Definitions

As used in this division, unless the context requires otherwise:

- (1) "Agency" means the Oregon Real Estate Agency.
- (2) "Applicant" means either an individual as defined in section ~~(7)~~ (8) of this rule, or a person as defined in section ~~(10)~~ (12) of this rule.
- (3) "Board" means the Oregon Real Estate Board.
- (4) "Commissioner" means the Real Estate Commissioner.
- (5) "Continuing education credit hour" means one hour of instruction provided by a continuing education provider.
- (6) "Continuing education provider" means a person certified by the Agency under OAR 863-020-0030 to offer real estate continuing education courses that are eligible for credit. The continuing education courses are taught by an instructor.
- (7) "Course identification number" means a unique four-digit identifying course number assigned by a continuing education provider or as assigned by the Oregon Real Estate Agency.
- (8) "Individual" means a human being, not a legal entity.
- (9) "Instructor" means an individual who teaches, for a continuing education provider, a real estate continuing education course that is eligible for credit. An instructor must meet the qualifications in ORS 696.186 and OAR 863-020-0060. The Agency does not certify instructors.
- (10) "Law and Rule Required Course" is that course described in OAR 863-022-0055.
- (11) "Licensed real estate property manager" is defined in ORS 696.010.
- (12) "Person" means any individual, partnership, corporation, association, governmental subdivision, or public or private organization of any character other than a government agency.
- (13) "Principal real estate broker" is defined in ORS 696.010.
- (14) "Provider number" means a unique identifying number assigned by the Agency to a certified continuing education provider under OAR 863-020-0030.
- (15) "Real estate broker" is defined in ORS 696.010.

(16) “Real estate licensee” is defined in ORS 696.010 and includes a ~~real~~ real estate broker, principal real estate broker, and a real estate property manager~~;~~, but does not include timeshare sales agents for the purposes of this division.

(17) “State and federal fair housing course” means the course in state and federal housing laws provided in HB 3137 section 9 and described in OAR 863-022-XXXX.

(17) “Broker advanced practices course” means the advanced course in real estate practices provided in ORS 696.174.

(18) “Property manager advanced practices course” means the advanced course in property management practices provided in ORS.696.174.

(19) “Principal broker advanced practices course” means the advanced course in brokerage practices provided in ORS 696.174.

HB 3137 sections 9, 10 and HB 2373 section 9

863-020-0010 License Renewal Continuing Education Requirements

- (1) This rule applies to all real estate licensees **except timeshare sales agents.**
- (2) To renew an active license, a real estate licensee must provide course information in an online renewal application which demonstrates that the licensee:
- (a) Has completed at least **27-26** hours of real estate continuing education that are eligible for credit under OAR 863-020-0035 and 863-020-0040 during the two years preceding renewal **and,**
 - (b) Has completed the Board-approved Law and Rule Required Course described in OAR 863-022-0055 **-, and**
 - (c) Has completed the Board-approved State and Federal Fair Housing Course described in OAR 863-022-XXXX.**
- (3) To renew an active license for the first time or before the first license reactivation following an inactive first renewal, a real estate broker, a principal real estate broker, or a licensed real estate property manager must provide course information in the online renewal or reactivation application which demonstrates compliance with the following:
- (a) A real estate broker must complete:
 - (A) the 27The 26-hour broker advanced practices course described in OAR 863-022-0020-,**
 - (B) A real estate broker must also take a** Law and Rule Required Course described in OAR 863-022-0055 **and**
 - (c) A State and Federal Fair Housing Course described in OAR 863-022-XXXX.**
 - (b) (d)** A principal real estate broker must complete:
 - (A) the 27The 26-hour principal broker advanced practices course described in OAR 863-022-0021-,**
 - (B) A principal real estate broker must also take the A** Law and Rule Required Course described in OAR 863-022-0055 **-, and**
 - (C) A State and Federal Fair Housing Course described in OAR 863-022-XXXX.**
 - (c) (e)** A licensed real estate property manager must complete:
 - (A) the 27The 26-hour property manager advanced practices course described in OAR 863-022-0022-,**

~~(B) A licensed real estate property manager must also take the A~~ Law and Rule Required Course described in OAR 863-022-0055-, and

~~(C) A State and Federal Fair Housing Course described in OAR 863-022-XXXX.~~

(4) A real estate licensee will not be given credit for repeating a continuing education course with the same content during a two-year renewal period.

(5) A licensee who falsely certifies that the licensee has completed the required continuing education violates sections (2) or (3) of this rule and is subject to discipline under ORS 696.301.

HB 3137 sections 4, 9

863-020-0015 Licensee Records

(1) A real estate licensee must maintain the licensee's certificates of completion the licensee received from continuing education providers for three years after the renewal date for which the continuing education credit applies.

(2) An ~~authorized~~ principal broker is not required to maintain the continuing education records of a real estate broker, ~~principal real estate broker~~, or ~~a~~ property manager ~~associated with~~ under the supervision of the ~~authorized~~ principal broker.

(3) Upon request by the Agency, a licensee must produce a copy of the records required under this rule.

HB 3137 section 9

863-020-0035 Courses Offered by Continuing Education Providers

(1) This rule applies to continuing education courses offered by continuing education providers except for the broker advanced practices course, the principal broker advanced practices course, the property manager advanced practices course, and the brokerage administration sales and supervision course. If the provider wishes to offer those courses, the provider may seek separate course approval under OAR chapter 863, division 22.

(2) A continuing education provider must ensure that a specific class or course offered is within the scope of one or more course topics listed in section (4) or (5) of this rule. The provider must also identify to real estate licensees which course topic(s) is covered by the course. The Agency will not determine whether individual courses or classes are within the scope of an eligible course topic.

(3) Each course offered for continuing education credit:

- (a) Must meet all course requirements under this rule,
- (b) Must meet the requirements for the length of the course under OAR 863-020-0007,
- (c) Must meet the requirements for learning objectives in OAR 863-020-0045, and
- (d) May be presented in a classroom or online setting.

(4) The following course topics are eligible for real estate continuing education credit required by ORS 696.174 and OAR 863-020-0010:

- (a) Principal broker or property manager record-keeping.
- (b) Principal real estate broker supervision responsibilities.
- (c) Principal broker or property manager clients' trust accounts.
- (d) Agency relationships and responsibilities for brokers, principal brokers, or property managers.
- (e) Misrepresentation in real estate transactions.
- (f) Property management.
- (g) Advertising regulations.
- (h) Real estate disclosure requirements.
- (i) Real estate consumer protection.
- (j) Anti-trust issues in real estate transactions.

- (k) Commercial real estate.
- (L) Real estate contracts.
- (m) Real estate taxation.
- (n) Real estate property evaluation, appraisal, or valuation.
- (o) Fair Housing laws or policy.
- (p) Managing a real estate brokerage.
- (q) Business ethics.
- (r) Risk management.
- (s) Dispute resolution.
- (t) Real estate finance.
- (u) Real estate title.
- (v) Real estate escrows.
- (w) Real estate development.
- (x) Condominiums.
- (y) Subdivisions.
- (z) Unit owner or home owner associations.
- (aa) Timeshares.
- (bb) Water rights.
- (cc) Environmental protection issues in real estate.
- (dd) Land use planning, zoning, or other public limitations on use.
- (ee) Real estate economics.
- (ff) Real estate law or regulation.
- (gg) Negotiation.

(5) The Law and Rule Required Course **as described in OAR 863-022-0055** is eligible for continuing education credit.

(6) The State and Federal Fair Housing Course as described in OAR 863-022-XXXX is eligible for continuing education credit.

(7) The required course for timeshare sales agents as described in OAR 863-022-XXXX is eligible for continuing education credit for real estate brokers and principal real estate brokers only.

~~(6)~~ (7) The following do not fall within the scope of an eligible continuing education course topic listed under section (4) of this rule:

- (a) Real estate broker or property manager pre-licensing courses.
- (b) Examination preparation classes.
- (c) Sales meetings.
- (d) Motivational classes or seminars.
- (e) Time management classes or seminars.
- (f) Sales and marketing classes or seminars.
- (g) Psychology classes or seminars.
- (h) Trade association orientation courses.
- (i) Courses in standardized computer software programs not specifically related to the topics listed in section (4) of this rule.
- (j) Courses with content that is specific to another state or jurisdiction.

HB 3137 section 9

863-020-0040 Certain Courses Required for License Renewal that are Also Eligible for Continuing Education Credit

- (1) In addition to the eligible courses under OAR 863-020-0035 the courses listed in subsection (2) through (4) of this rule are eligible for continuing education credit.
- (2) An Agency-approved ~~27-26~~-hour broker advanced practices course that meets the requirements of OAR 863-022-0020.
- (3) An Agency-approved ~~27-26~~-hour principal broker advanced practices course that meets the requirements of OAR 863-022-0021.
- (4) An Agency-approved ~~27-26~~-hour property manager advanced practices course that meets the requirements of OAR 863-022-0022.
- (5) An Agency-approved 40-hour brokerage administration and sales supervision course that meets the requirements of OAR 863-022-0015.
- (6) Certification as a continuing education provider does not authorize the provider to offer the broker advanced practices course, the principal broker advanced practices course, the property manager advanced practices course, or the brokerage administration sales and supervision course. If the provider wishes to offer those courses, the provider may seek separate course approval under OAR chapter 863, division 22.

HB 3137 sections 4, 9

863-020-0050 Continuing Education Provider Responsibilities

(1) For each course offered, a continuing education provider must:

(a) Ensure that a course offered for continuing education credit is within the scope of one or more course topics listed in OAR 863-020-0035(3) or is a Law and Rule Required Course under OAR 863-022-0055;

(b) Identify to real estate licensees the course eligibility for continuing education credit as one of the following:

(A) A continuing education course under OAR 863-020-0035 and which course topic(s) the offered course covers,

(B) The course is the Law and Rule Required Course under OAR 862-022-0055,

(C) The course is the broker advanced practices course under OAR 863-022-0020,

(D) The course is the principal broker advanced practices course under OAR 863-022-0021~~;~~,

(E) The course is the property manager advanced practices course under OAR 863-022-0022, ~~or~~

(F) The course is the brokerage administration and sales supervision course under OAR 863-022-0025~~;~~, or

(G) The course is the State and Federal Fair Housing Course under OAR 863-022-XXXX;

(c) Ensure that the course meets the requirements for the length of a course under OAR 863-20-0007;

(d) Assign to each course a unique identifying course number;

(e) Ensure that courses offered under OAR 863-020-0035 meet the learning objective requirements contained in 863-020-0045; and

(f) Ensure that the instructor who teaches a continuing education course offered for credit:

(A) Meets the requirements set forth in ORS 696.186, and

(B) Completes and signs the form required by OAR 863-020-0060.

(2) A continuing education provider may provide the broker advanced practices course, the principal broker advanced practices course, the property manager advanced practices course, or the brokerage administration and sales supervision course only if the provider and the course have been approved under OAR 863, division 22.

- (3) A continuing education provider must keep records as required by OAR 863-020-0055.
- (4) A continuing education provider must give each licensee who completes a course a completed certificate of completion that includes:
- (a) The licensee's name and license number;
 - (b) The name of the course;
 - (c) The name of the certified course provider and provider number;
 - (d) The course identification number assigned by the course provider or as assigned by the Oregon Real Estate Agency;
 - (e) Identification of the course eligibility for continuing education credit as one of the following:
 - (A) A continuing education course under OAR 863-020-0035 and which course topic(s) the offered course covers,
 - (B) The course is the Law and Rule Required Course under OAR 862-022-0055,
 - (C) The course is the broker advanced practices course under OAR 863-022-0020,
 - (D) The course is the principal broker advanced practices course under OAR 863-022-0021~~;~~,
 - (E) The course is the property manager advanced practices course under OAR 863-022-0022, ~~or~~
 - (F) The course is the brokerage administration and sales supervision course under OAR 863-022-0025~~;~~, ~~or~~
 - (G) The course is the State and Federal Fair Housing Course under OAR 863-022-XXXX;
 - (f) The date and location of the course;
 - (g) The length of time of each course; and
 - (h) The name of the instructor who taught the course.

HB 3137 section 9

Division 22 – LICENSE APPLICANT COURSE REQUIREMENT AND COURSE APPROVAL

863-022-0000 Applicability and Purpose

(1) This division applies to:

(a) Real estate license applicants,

(b) Real estate licensees,

(c) Persons seeking Agency approval of the following courses:

(A) The education courses for real estate broker license applicants, and

(B) The education course for property manager license applicants-, and

(C) The education course for timeshare sales agents.

(d) Certified continuing education providers seeking approval of the following courses:

(A) The brokerage administration and sales supervision course for principal broker license applicants,

(B) The broker advanced practices course required for real estate brokers seeking their first active license renewal,

(C) The principal broker advanced practices course required for principal real estate brokers seeking their first active license renewal, or

(D) The property manager advanced practices course for licensed real estate property managers seeking their first active renewal.

(e) Certified continuing education providers who offer the Law and Rule Required Course described in OAR 863-022-0055.

(f) Certified continuing education providers who offer the State and Federal Fair Housing Course.

(2) This division sets forth the following course requirements for license applicants and licensees:

(a) The course of study required by OAR 863-014-0035 for real estate broker license applicants;

(b) The course required by OAR 863-024-0045 for property manager license applicants;

(c) The brokerage administration and sales supervision course required by OAR 863-014-0040 for principal broker license applicants;

(d) The broker advanced practices course required by OAR 863-020-0010 for real estate brokers seeking their first active license renewal;

(e) The principal broker advanced practices course required by OAR 863-020-0010 for principal real estate brokers seeking their first active license renewal; ~~and~~

(f) The property manager advanced practices course required by OAR 863-020-0010 for licensed real estate property managers seeking their first active renewal; ~~and~~

~~(g) The course required by OAR 863-0XX-XXXX for timeshare sales agents.~~

(3) This division sets forth the application processes for Agency approval of the following:

(a) The course of study required by OAR 863-014-0035 for real estate broker license applicants ~~or~~, the course required by ~~OAR~~ 863-024-0045 for property manager license applicants, ~~or the course required by OAR 863-XXX-XXXX for timeshare sales agents;~~

(b) The brokerage administration and sales supervision course required by OAR 863-014-0040 for principal broker license applicants;

(c) The broker advanced practices course required by OAR 863-020-0010 for real estate brokers seeking their first active license renewal;

(d) The principal broker advanced practices course required by OAR 863-020-0010 for principal real estate brokers seeking their first active license renewal;

(e) The property manager advanced practices course required by OAR 863-020-0010 for licensed real estate property managers seeking their first active renewal; ~~and~~

(f) The Law and Rule Required Course required for all actively renewing licensees under OAR 863-020-0010, ~~excluding timeshare sales agents;~~ and

~~(g) The State and Federal Fair Housing Course required for all actively renewing licensees under OAR 863-020-0010.~~

HB 3137 section 9 and HB 2373 sections 4, 9

863-022-0005 Definitions

As used in this division, unless the context requires otherwise:

(1) "Agency" means the Oregon Real Estate Agency.

~~(2) "Associated broker" means a broker that is "associated with," as that term is defined in ORS 696.010, a principal real estate broker.~~

~~(3)~~ (2) "Board" means the Oregon Real Estate Board.

~~(4)~~ (3) "Certified continuing education provider" means a person certified by the Agency under OAR 863-020-0030 to offer real estate continuing education courses that are eligible for credit under 863-020-0035 and 863-020-0040. The continuing education courses are taught by an instructor.

~~(5)~~ (4) "Clock-hour" is a 60-minute hour, excluding meal or rest breaks.

~~(6)~~ (5) "Commissioner" means the Real Estate Commissioner.

~~(7)~~(6) "Individual" means a human being, not a legal entity.

~~(8)~~ (7) "In-state community colleges, colleges, and universities" means:

(a) Campuses and centers that are part of an accredited public university listed in ORS 352.002;

(b) Oregon community colleges established and operated under ORS Chapter 341; and

(c) Accredited private and independent institutions of higher education, as that term is defined in ORS 352.720, that are located in Oregon.

~~(9)~~(8) "Law and Rule Required Course" means that course described in OAR 863-022-0055.

~~(10)~~ (9) "Person" means any individual, partnership, corporation, association, governmental subdivision, or public or private organization of any character other than a government agency.

~~(11)~~ (10) "Private career schools" means private career schools licensed by the Oregon Department of Education and approved by the Agency to provide the 150-hour real estate license applicant course of study under OAR 863-022-0010, the 60-hour property manager license applicant courses under 863-022-0015, or both.

~~(12)~~ (11) "Principal broker" means "principal real estate broker," as defined in ORS 696.010.

~~(13)~~(12) "Property manager" means "licensed real estate property manager," as defined in ORS 696.010.

~~(14)~~(13) “Real estate broker” is defined in ORS 696.010.

~~(15)~~(14) “Real estate licensee” is defined in ORS 696.010.

(15) “State and Federal Fair Housing Course” means that course described in OAR 863-022-XXXX.

(16) “Timeshare sales agent” is defined in HB 2373 section 1.

HB 3137 section 9 and HB 2373 section 1

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863-022-XXXX Course Requirements for Timeshare Sales Agent License Applicants

(1) The course required by OAR 863-XXX-XXXX for timeshare sales agent license applicants consists of a 14 clock-hour Agency-approved timeshare sales agent course. The timeshare sales agent course covers the specialized area of timeshare sales agents, including Oregon's legal requirements.

(a) A course offered by private career schools must be approved by the Agency under OAR 863-022-0030.

(b) A course offered by in-state community colleges, colleges, and universities must be approved by the Agency under OAR 863-022-0035.

(2) The 14-hour timeshare sales agent course prepares the applicant for the timeshare sales agent license examination. To be eligible for credit, the 14-hour course must include 14 clock-hours allocated among topics in the number of hours as follows:

(a) (___ hours) Ethics.

(b) (___ hours) Applicable laws and rules relating to timeshares.

(c) (___ hours) The principles and practices of selling timeshares.

(3) A license applicant must complete the Agency-approved timeshare sales agent course through a private career school or an in-state community college, college, or university, as those terms are defined in OAR 863-022-0005.

(4) To receive credit for a course provided by a private career school, an applicant must complete the course and receive a passing score of at least 75% on a final exam.

(5) The timeshare sales agent applicant course is eligible for continuing education credit for real estate brokers and principal real estate brokers only under OAR 863-020-0010.

863-022-0020 Advanced Practices Course Requirement and Proficiency Assessment for the First Active Renewal of Broker License

(1) The course required by OAR 863-020-0010 before the first active renewal of a real estate broker license, or before the first license reactivation following an inactive first renewal, is an Agency-approved broker advanced practices course.

(2) In order to renew a license, a real estate broker who completes the ~~27-hour~~ course described in section (3) of this rule must also complete the Law and Rule Required Course and the State and Federal Fair Housing course required under OAR 863-020-0010 .

(3) An Agency-approved broker advanced practices course must consist of 26 clock-hours covering the following topics, with a minimum of 1 clock-hour for each topic ~~include 27 clock-hours allocated among topics in the number of hours as follows:~~

- (a) ~~(9 hours)~~ Business ethics;
- (b) ~~(3 hours)~~ Review of recent administrative actions issued by the Agency;
- (c) ~~(4.5 hours)~~ Property management;
- (d) ~~(3 hours)~~ Business economics;
- (e) ~~(3 hours)~~ Advanced agency relationships, including dual representation;
- (f) ~~(4.5 hours)~~ Misrepresentation and negligence;-
- (g) Negotiations;
- (h) Effective communications with clients and other licensees; and
- (i) Real Estate contracts

(4) To receive credit for the broker advanced practices course, a real estate broker must complete the course, ~~including a final examination,~~ and receive a passing score of at least 75% on a final examination containing 60 questions.

(5) The final examination in section (4) must include a practical skills assessment that presents one or more case studies or hypothetical scenarios involving a real estate transaction. The assessment must require the real estate broker to demonstrate the ability to:

- (a) Identify and address issues that present risks to the client;
- (b) Draft a real estate contract that reflects the client's objectives; and

(c) Maintain effective communication protocols with the client and other licensees involved in the transaction.

~~(5)~~ (6) The licensee must obtain a certificate of course completion and maintain it as required by OAR 863-020-0015.

~~(6)~~ (7) The broker **advanced** practices course, ~~and~~ the Law and Rule Required Course, ~~and~~ the **State and Federal Fair Housing Course** are eligible for continuing education credit under OAR 863-020-0010.

HB 3137 section 9

863-022-0021 Advanced Practices Course Requirement and Proficiency Assessment for the First Active Renewal of Principal Broker License

- (1) The principal broker advanced practices course required by OAR 863-020-0010 before the first active renewal of a principal broker license, or before the first license reactivation following an inactive first renewal, is an Agency approved ~~27-hour~~ principal broker advanced practices course.
- (2) A principal broker who is required to take the advanced practices course in order to renew a license must also complete the Law and Rule Required Course and the State and Federal Fair Housing course required under OAR 863-020-0010.
- (3) An Agency-approved principal broker advanced practices course must consist of 26 clock-hours covering the following topics, with a minimum of 1 clock-hour for each topic ~~include 27 clock-hours allocated among topics in the number of hours as follows:~~
 - (a) ~~(4 hours)~~ Brokerage Practices;
 - (b) ~~(4 hours)~~ Supervision and Managing Real Estate Licensees;
 - (c) ~~(3 hours)~~ Clients' Trust Accounts;
 - (d) ~~(3 hours)~~ Records and Maintenance;
 - (e) ~~(4 hours)~~ Property Management;
 - (f) ~~(3 hours)~~ Advertising;
 - (g) ~~(3 hours)~~ Affirmative Duties of Agent & Agency Relationships;
 - (h) (3 hours) Professional Real Estate Activity;
- (4) To receive credit for an advanced practices course, a principal broker must complete the course and receive a passing score of at least 75% on a final examination containing 60 questions.
- (5) The final examination described in Section (4) must include a practical skills assessment that presents one or more case studies or hypothetical scenarios involving a real estate transaction. The case studies or hypothetical scenarios must include an authorized principal broker as defined in OAR 863-015-0003, one or more brokers under the supervision of that authorized principal broker, examples of harm to a client or consumer of real estate services, and examples of conflict between a buyer and seller or their agents. The assessment must measure the real estate principal broker's ability to identify:

- (a) Issues that present harm or risks of harm to the client or consumer;
 - (b) Office policies that could have prevented the harm or mitigated the risk of harm to the clients or consumers;
 - (c) Supervision and training protocols that could have prevented the harm or mitigated the risk of harm to the clients or consumers;
 - (d) Effective communication and conflict resolutions strategies; and
 - (e) Conduct that is above and conduct that is below the standard of care for real estate licensees in Oregon.
- ~~(5)~~ (6) The licensee must obtain a certificate of course completion and maintain it as required by OAR 863-020-0015.
- ~~(6)~~(7) The principal broker advanced practices course , ~~and~~ the Law and Rule Required Course, ~~and the State and Federal Fair Housing Course~~ are eligible for continuing education credit under OAR 863-020-0010.

863-022-0022 Property Manager Advanced Practices Course Requirement for the First Active Renewal of License

(1) The property manager advanced practices course required by OAR 863-020-0010 before the first active renewal of a property manager license, or before the first license reactivation following an inactive first renewal, is an Agency-approved ~~27-hour~~ property manager advanced practices course.

(2) A property manager who is required to take the advanced practices course in order to renew a license must also complete the Law and Rule Required Course ~~and the State and Federal Fair Housing course~~ required under OAR 863-020-0010.

(3) An Agency-approved property manager advanced practices course must ~~consist of 26 clock-hours covering the following topics, with a minimum of 1 clock-hour for each topic include 27 clock-hours allocated among topics in the number of hours as follows:~~

- (a) ~~(2 hours)~~ Agency law and affirmative duties in ORS 696.890;
- (b) ~~(2 hours)~~ Property management agreements;
- (c) ~~(3 hours)~~ Managing the operation of a property management company;
- (d) ~~(3 hours)~~ ~~(4 hours)~~ Clients' trust accounts and security deposits accounts;
- (e) ~~(6 hours)~~ Property management accounting;
- (f) ~~(2 hours)~~ Oregon Residential Landlord and Tenant Act under ORS Chapter 90;
- ~~(g) (2 hours) Fair Housing Laws;~~
- ~~(g)(h) (2 hours)~~ Property management records;
- ~~(h)(i) (2 hours)~~ Real Estate License Law under ORS Chapter 696;
- ~~(i)(j) (1.5 hours)~~ Commercial property management;
- ~~(j)(k) (1.5 hours)~~ Emergency plans, energy management plans, maintenance and repair.

(4) To receive credit for an advanced practices course, a property manager must complete the course and receive a passing score of at least 75% on a final examination containing 60 questions.

(5) The final examination described in Section (4) must include a practical skills assessment that presents one or more case studies or hypothetical scenarios involving the management of rental real estate. The assessment must measure the real estate property manager's ability to:

- (a) Identify and adhere to the requirements for maintaining client trust accounts;
 - (b) Understand the accounting distinctions between single and multiple owner accounts;
 - (c) Understand the accounting distinctions between single and pooled security deposit accounts;
 - (d) Complete monthly reconciliations and identify and resolve discrepancies; and
 - (e) Understand the supervisory responsibilities of a property manager, when a written delegation of authority is needed, and the information required in a written delegation of authority.
- (6)(5) The licensee must obtain a certificate of course completion and maintain it as required by OAR 863-020-0015.
- (7)(6) The property manager advanced practices course , ~~and~~ the Law and Rule Required Course, ~~and the State and Federal Fair Housing Course~~ are eligible for continuing education credit under OAR 863-020-0010.

HB 3137 section 9

863-022-0030 Agency Approval of Education Courses Provided by Private Career Schools

(1) Private career schools that wish to provide the real estate broker license applicant ~~or~~, property manager license applicant, **or timeshare sales agent** courses under OAR 863-022-0010 and 863-022-0015 must apply to the Agency for approval of these courses. No application fees are required.

~~(2) All license applicant courses under OAR 863-022-0010 and 863-022-0015 submitted by private career schools and approved by the Agency before August 15, 2012 are approved by this rule; however, the course approval expires December 31, 2012.~~

~~(3)~~ (2) A private career school applying for Agency approval of a 150-hour course of study for real estate broker license applicants, ~~or~~ a 60-hour course for property manager license applicants, **or a 14-hour course for timeshare sales agent** applicants must submit an online application and the following documents:

(a) Proof of current licensing as a private career school with the Higher Education Coordinating Commission and an expiration date.

(b) If the private career school wishes to provide a course through distance education, documentation that the course has been certified by the Association of Real Estate License Law Officials.

(c) If the private career school is applying for approval to use course materials owned and developed by a third-party vendor, written authorization from the vendor, on an Agency-approved form, that the course provider is authorized to use the course materials and the dates the provider is authorized to use the course.

(d) Course materials, including:

(A) Course curriculum or syllabus for the course of study.

(B) Student materials, including all course materials, textbooks and handouts.

(C) A completed Agency-approved topic checklist that lists the detailed course topics and indicates the location of the topic in the course materials. This requirement applies to all course materials, including materials developed by the course provider or materials developed by a third-party vendor.

(D) Instructor materials, if any.

(E) Final examinations.

- (F) Examination answer keys, as a document that is separate from the examination.
- (G) Agency-approved instructor forms for each instructor who will teach the course.
- (e) Proof of current business registration with the Oregon Secretary of State. The applicant's name that is licensed with the Higher Education Coordinating Commission must be the exact name that is registered with the Secretary of State.
- (4) After review, the Agency will approve or deny the completed application and notify the applicant. If the Agency denies the application, the applicant may seek a contested case hearing pursuant to ORS Chapter 183.
- (5) All course approvals expire on June 30 each year.
- (6) Approved course providers must comply with the provisions of OAR 863-022-0052 for submitting all changes to application information, changes to course materials, and changes to instructors. Within 10 days of license renewal by the Higher Education Coordinating Commission, a private career school must submit documentation to the Agency that the school's license has been renewed.
- (7) If a private career school wants to provide courses other than the real estate broker~~or~~, property manager **or timeshare sales agent** license applicant courses, the school must comply with the following:
- (a) To provide the broker advanced practices course, the principal broker advanced practices course, or the property manager advanced practices course, the school must be a certified continuing education provider and apply for course approval under OAR 863-022-0045.
- (b) To provide the brokerage administration and sales supervision course, the school must be a certified continuing education provider and apply for course approval under 863-022-0050.
- (c) To provide the Law and Rule Required Course under OAR 863-022-0055 required for license~~e~~ renewals, the school must be a certified continuing education provider.
- (d) To provide the State and Federal Fair Housing Course under 863-022-XXXX required for license renewal, the school must be a certified continuing education provider.**
- (d) (e)** To provide any other continuing education course under OAR 863-020-0035 or 863-020-0040, the school must be a certified continuing education provider and comply with the requirements of OAR 863, division 20.

863-022-0035 Approval of Courses Provided by Community Colleges, Colleges, and Universities

(1) In-state community colleges, colleges, and universities that wish to provide the real estate broker license applicant ~~or~~, property manager license applicant, ~~or~~ timeshare sales agent applicant under OAR 863-022-0010 and 863-022-0015 must apply to the Agency for approval of these courses. No application fees are required.

(2) In-state community college, college or university applying for Agency approval of a 150-hour course of study for real estate broker license applicants, ~~or~~ a 60-hour course for property manager license applicants, ~~or~~ a 14-hour course for timeshare sales agent applicants must submit an online application and the following documents:

(a) ~~If the private career school~~ If the in-state community college, college or university is applying for approval to use course materials owned and developed by a third-party vendor, written authorization from the vendor, on an Agency-approved form, that the course provider is authorized to use the course materials and the dates the provider is authorized to use the course.

(b) Course materials, including:

(A) Course curriculum or syllabus for the course of study.

(B) Student materials, including all course materials, textbooks and handouts.

(C) A completed Agency-approved topic checklist that lists the detailed course topics and indicates the location of the topic in the course materials. This requirement applies to all course materials, including materials developed by the course provider or materials developed by a third-party vendor.

(D) Instructor materials, if any.

(E) Final examinations.

(F) Examination answer keys, as a document that is separate from the examination.

(3) After review, the Agency will approve or deny the completed application and notify the applicant. If the Agency denies the application, the applicant may seek a contested case hearing pursuant to ORS Chapter 183.

(4) All course approvals expire on June 30 each year.

(5) Approved course providers must comply with the provisions of OAR 863-022-0052 for submitting all changes to application information, changes to course materials, and changes to instructors.

(6) If an in-state community college, college or university wants to provide courses other than the real estate broker or property manager license applicant courses, the school must comply with the following:

(a) To provide the broker advanced practices course, the principal broker advanced practices course, or the property manager advanced practices course, the school must be a certified continuing education provider and apply for course approval under OAR 863-022-0045.

(b) To provide the brokerage administration and sales supervision course, the school must be a certified continuing education provider and apply for course approval under OAR 863-022-0050.

(c) To provide the Board-approved three-hour law and rule update course under OAR 863-022-0055 required for license renewals, the school must be a certified continuing education provider.

(d) To provide the State and Federal Fair Housing Course under 863-022-XXXX required for license renewal, the school must be a certified continuing education provider.

~~(d)~~ (e) To provide any other continuing education course under OAR 863-020-0035 or 863-020-0040, the school must be a certified continuing education provider and comply with the requirements of OAR 863, division 20.

HB 3137 section 9 and HB 2373 sections 4, 9

863-022-0045 Agency Approval of Advanced Practices Course

(1) A person seeking Agency approval of the ~~27-26~~-hour broker advanced practices course described in OAR 863-022-0020, the ~~27-26~~-hour principal broker advanced practices course described in OAR 863022-0021, or the ~~27-26~~-hour property manager advanced practices course under 863-022-0022 must be a certified continuing education provider.

(2) The person must submit an Agency-approved form and the following documents:

(a) Sample certificates of course completion.

(b) For all providers, except those providers listed in subsection (c), written authorization from the vendor, on an Agency-approved form, to use course materials owned and developed by a third party vendor stating:

(A) That the course provider is authorized to use the course materials, and

(B) The dates the provider is authorized to use the course.

(c) For in-state community colleges, colleges and universities applying for approval to use course materials owned and developed by a third party vendor, attestation that the provider must submit all revisions or updates to the Real Estate Agency for approval before using such materials.

(d) Course materials, including:

(A) Course curriculum or syllabus for the course of study.

(B) Student materials, including all course materials, textbooks and handouts.

(C) A completed Agency-approved topic checklist listing the detailed course topics and indicating the location of the topic in the course materials. This requirement applies to all course materials, including materials developed by the course provider or materials developed by a third-party vendor.

(D) Instructor materials, if any.

(E) Final examinations, **including practical skills assessments as outlined in OAR 863-022-0020 through 863-022-0022.**

(F) Examination answer keys, as a document that is separate from the examination.

(G) For all providers except in-state community colleges, colleges and universities, a continuing education instructor form for each instructor who will teach the course.

(3) The Agency will approve or deny the completed application and notify the applicant. Upon approval, the Agency will send a letter of approval. If the Agency denies the application, the applicant may seek a contested case hearing pursuant to ORS Chapter 183.

(4) All course approvals expire on December 31st each year.

(5) Approved course providers must comply with the provisions of OAR 863-022-0052 for submitting all changes to application information, changes to course materials, and changes to instructors.

HB 3137 section 9

863-022-0055 Board Approval of Law and Rule Required Course

- (1) The Board will develop the course content required for ~~an at least three-hour~~ the course on recent changes in real estate rule and law required by ORS 696.174, and the Agency will make the course content available to the public.
- (2) The Board will update the course at least biannually.
- (3) To be eligible for continuing education credit required under OAR 863-020-0010, the Board-approved course must be provided by a certified continuing education provider.
- (4) This course is referred ~~to~~ in these rules as the "Law and Rule Required Course".

HB 3137 section 9

863-022-XXXX Board Approval of State and Federal Fair Housing Course

(1) The Board will develop the course content required for the course on state and federal fair housing laws required by ORS 696.174 (HB 3137 section 9a), and the Agency will make the course content available to the public.

(2) The Board will update the course at least biannually.

(3) To be eligible for continuing education credit required under OAR 863-020-0010, the Board-approved course must be provided by a certified continuing education provider.

(4) This course is referred to in these rules as the "State and Federal Fair Housing Course".

HB 3137 section 9

863-022-0060 Responsibilities of Providers of Real Estate Broker, Principal Broker, ~~and~~ Property Manager, ~~and~~ Timeshare Sales Agent License Application Courses

(1) For purposes of this rule, a “course provider” is:

(a) A private career school, in-state community college, college, or university that provides the 150-hour real estate broker license applicant course of study under OAR 863-022-0010, the 60-hour property manager license applicant course under OAR 863-022-0015; ~~or~~ the 40-hour brokerage administration and sales supervision course under OAR 863-022-0025; ~~or the 14-hour timeshare sales agent course required by OAR 863-022-XXXX and~~

(b) A continuing education provider who provides the 40-hour brokerage administration and sales supervision course under OAR 863-022-0025.

~~(3)~~(2) For purposes of this rule, “examination provider” means the vendor, under a contract with the Agency, which provides licensing examination services and collects the fee for such services directly from a license applicant.

~~(4)~~(3) A course provider must certify to the examination provider that an applicant for a real estate license has successfully completed the course or courses according to the requirements and instructions of the examination provider.

~~(5)~~(4) Before certifying that a license applicant completed a course as provided in section ~~(4)~~(3) of this rule, a course provider must obtain proof from a license applicant that the applicant has submitted a license application to the Agency.

~~(6)~~(5) A course provider must inform each student taking a course that:

(a) The course provider will certify to the examination provider that an applicant for a real estate license has successfully completed the course or courses; and

(b) Before a course provider may certify that the applicant completed the course, a student must provide proof to the provider that the student has applied to the Agency for a real estate broker, principal broker ~~or~~, property manager, ~~or~~ timeshare sales agent license.

(7) In addition to the requirements under this rule, a course provider must provide a certificate of completion to each student.

Division 24 – REAL ESTATE PROPERTY MANAGER LICENSING

863-024-0000 Application and Purpose

(1) This division sets forth the requirements and process for licensing real estate property managers, as that term is defined in ORS 696.010.

(2) The purpose of this division is to specify the requirements for obtaining a real estate property manager's license.

863-024-0003 Definitions

As used in this division, unless the context requires otherwise, the following definitions apply to this division:

- (1) "Agency" means the Real Estate Agency with powers pursuant to ORS 696.385.
- (2) "Agency-approved form" means an electronic or paper form approved by the Real Estate Agency.
- (3) "Authorized principal broker" means a managing principal broker or a principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.
- ~~(3)~~(4) "Birth month" means the month of a licensee's or applicant's date of birth.
- ~~(4)~~(5) "Branch office" is defined in ORS 696.010.
- ~~(5)~~(6) "Commissioner" means the Real Estate Commissioner described in ORS 696.375.
- ~~(6)~~(7) "Legal name" means the first name, middle name and last or surname, without the use of initials or nicknames and is the name given at birth or subsequently acquired through marriage, court order or adoption.
- ~~(7)~~(8) "Licensed Name" means the name of a real estate licensee as it appears on the current, valid real estate license issued to the licensee pursuant to ORS 696.020.
- ~~(8)~~(9) "Licensed property manager" means "licensed real estate property manager" as defined in ORS 696.010.
- ~~(9)~~(10) "Management of rental real estate" is defined in ORS 696.010.
- (11) "Managing principal broker" is defined in HB 3137 section 1.
- ~~(10)~~(12) "Principal broker" means "principal real estate broker," as defined in ORS 696.010.
- ~~(11)~~(13) "Real estate activity," "professional real estate activity," and "real estate business" mean "professional real estate activity" as defined in ORS 696.010, which includes managing rental real estate.
- ~~(12)~~(14) "Real estate broker" is defined in ORS 696.010.
- ~~(13)~~(15) "Real estate property manager" is defined in ORS 696.010.
- ~~(14)~~(16) "Real estate licensee" and "licensee" mean a "real estate licensee" as defined in ORS 696.010.

(17) “Sending property manager” means:

(a) A licensed property manager with whom an active real estate license is associated before a license transfer; or

(b) The authorized principal broker who has supervisory control and responsibility of the licensee before a license transfer.

(18) “Registered business name” is defined in ORS 696.010.

~~(15)~~ (19) “Receiving property manager” means:

(a) A licensed property manager with whom an active real estate license will be associated after a license transfer; or

(b) The authorized principal broker who will have supervisory control and responsibility of the licensee after a license transfer.

~~(16)~~ (20) “Signed” or “Signature” means original or electronic signature as provided by OAR 863-024-0076.

(21) “Timeshare sales agent” as defined in HB 2373 section 2.

HB 3137 section 1 and HB 2373 section 2

863-024-0030 License Issue, Term, Form

(1) The Agency will issue a property manager license to an applicant after determining that the applicant meets the license requirements contained in ORS 696.022 and 696.790, has paid all required fees and meets the requirements under OAR 863-024-0045.

(2) A licensee may engage in the management of rental real estate from the date the license is issued until the license expires, becomes inactive, or is revoked, surrendered, or suspended.

(3) A licensee may hold only one of the following Oregon real estate licenses at any time:

(a) Real estate broker,

(b) Principal real estate broker, ~~or~~

(c) Property manager, ~~or~~

(d) Timeshare sales agent.

(4) The license expiration date is the last day of the month of a licensee's birth month.

(5) The Agency issues an initial license for a term determined by the licensee's birth month and license issuance date. The initial license term is at minimum 13 months and at most 24 months and 30 days.

(a) If the license is not issued in licensee's birth month, the initial license term will start on the license issue date and end 12 months after first occurrence of the last day of the licensee's birth month.

(b) If the license is issued in the licensee's birth month, the initial license term start on the license issue date and end 24 months after the first occurrence of the last day of the licensee's birth month.

(6) The Agency will renew an active or inactive license for a term of 24 months from the last license expiration date

(7) The Agency will renew an expired license under OAR 863-024-0050 for a term that will start on the license renewal date and end 24 months from the last license expiration date.

(8) The license will include the following information:

(a) The licensee's legal name,

(b) The license number and expiration date,

(c) The registered business name under which the licensee conducts professional real estate activity,

(d) The licensee's business address,

(e) The seal of the Real Estate Agency, and

(f) Any other information the Agency deems appropriate.

HB 2373

DRAFT

863-024-0045 Property Manager Licensing Requirements

(1) To be eligible for a property manager license, an individual must complete the following steps in the order listed:

(a) Submit a license application and pay the fee to the Agency required by OAR 863-024-0010.

(b) Successfully complete the required courses of study for a property manager license required by OAR 863-022-0015.

(c) Ensure that the school providing the required course of study certifies to the examination provider that the applicant completed the course as required by OAR 863-024-0020.

(d) Pass the property manager license examination and pay the fee to the examination provider as required by OAR 863-024-0020.

(e) Provide fingerprints for a criminal background check and pay the fee to the fingerprint services provider as required by OAR 863-024-0015.

(2) After the applicant meets the requirements under (1) of this rule, the Agency will complete a background check on the applicant, which includes a criminal background check under OAR 863-024-0015.

(3) After the requirements in (1) and (2) of this rule are met:

(a) Using an online application through the Agency's website, the applicant must specify that the applicant will be registering a business name as provided in (4) of this rule; or

(b) Using an online application available through the Agency's website, a principal broker or licensed property manager must transfer the applicant to the principal broker or licensed property manager's active registered business name under OAR 863-024-0063.

(4) If an applicant wishes to conduct professional real estate activity under a registered business name registered by the applicant, the applicant must first meet all of the remaining qualifications to obtain a property manager license and then register a business name under 863-024-0095.

(5) A licensed property manager may only engage in the management of rental real estate. The licensee may not offer to, negotiate, attempt to, or engage in the sale, purchase, lease-option, appraisal, or exchange of real estate for another individual for compensation. The licensee may not charge, pay, receive, or accept a referral fee, finder's fee, or compensation from or share in a commission paid to a real estate broker or principal

broker for any activity involving the sale, purchase, lease-option, appraisal, or exchange of real estate. However, the licensee may charge, pay, receive, or accept a referral fee or finder's fee from or to a real estate broker, principal broker or another licensed property manager for finding or referring an owner, renter, or lessee in the management of rental real estate.

(6) A licensed property manager is responsible for all management of rental real estate conducted under the property manager's license and for the actions of the property manager's nonlicensed property management employees. A licensed property manager may not authorize an unlicensed individual to supervise that property manager's licensed activity in the manager's absence. Except as provided for in OAR 863-024-0085, a licensed property manager may not authorize another real estate licensee to supervise that property manager's licensed activity in the property manager's absence.

(7) A licensed property manager may be associated with a **managing** principal broker to engage in the management of rental real estate on behalf of the **managing** principal broker and under the supervision of ~~that an authorized principal broker. However, a~~ **A** property manager may not act in the managing principal broker's absence under OAR 863-024-0085.

HB 3137 sections 1, 4

863-024-0050 License Renewal

- (1) A licensee may only submit a license renewal application and pay the fee using an online application process, which is available through the Agency's website.
- (2) For purposes of this rule, "received by the Agency" means the date the licensee completed the online renewal process and paid the fee required under ORS 696.270
- (3) A property manager license expires if a licensee fails to renew the license on or before the license expiration date. A licensee may not engage in the management of rental real estate after a license expires. A licensed property manager may renew an expired license as provided in this rule.
- (4) The Agency may renew an active property manager license to active status for the term prescribed in OAR 863-024-0030 when the Agency has received the following:
 - (a) The renewal fee authorized by ORS 696.270; and
 - (b) An online active renewal application requesting active license status that includes course information by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under section OAR 863-020-0010.
- (5) The Agency may renew an active property manager license to inactive status for the term prescribed in OAR 863-024-0030, when the Agency has received the following:
 - (a) The renewal fee authorized by ORS 696.270; and
 - (b) An online inactive renewal application.
- (6) The Agency may renew an inactive property manager license to inactive status for the term prescribed in OAR 863-024-0030 when the Agency has received the following:
 - (a) The renewal fee authorized by ORS 696.270; and
 - (b) An online inactive renewal application.
- (7) The Agency may renew an inactive property manager license to active status for the term prescribed in OAR 863-024-0030, when the Agency has received the following:
 - (a) The renewal fee authorized by ORS 696.270;
 - (b) An online active renewal application that includes course information by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under OAR 863-020-0010; and

(c) The online license transfer application completed by the receiving ~~principal broker or licensed~~ property manager per OAR 863-024-0063. If the renewing licensed property manager wishes to manage rental real estate under a new registered business name, the licensed property manager must also register a business under OAR 863-024-0095.

(8) The Agency may renew an expired property manager license to active status when the Agency receives, within one year of the date the license expired, the following:

(a) The renewal fee and a late fee authorized by ORS 696.270;

(b) An online active renewal application that includes course information by the licensee demonstrating that the licensee met the license renewal continuing education requirements under section OAR 863-020-0010; and

(c) The online license transfer application completed by the receiving ~~principal broker or licensed~~ property manager per OAR 863-024-0063. If the renewing property manager wishes to manage rental real estate under a new registered business name, the property manager must also register a business under OAR 863-024-0095.

(9) The Agency may renew an expired property manager license to inactive status when the Agency receives, within one year of the date the license expired, the following:

(a) The renewal fee and a late fee authorized by ORS 696.270; and

(b) An online inactive renewal application.

(10) When the Agency renews an expired license, the renewed license is effective the date the renewal requirements are met. The renewal is not retroactive to the date the license expired, and the expired license retains the status of expired during the expiration period.

(11) A license renewed under this rule expires two years from the date of the original expiration date.

(12) A real estate license that has expired for more than one year is lapsed, as defined in ORS 696.010.

(13) A license may not be renewed if it is lapsed, surrendered, suspended, or revoked. Except as provided in OAR 863-024-0075, the former licensee must reapply and meet all the licensing qualifications required of new license applicants.

HB 3137 sections 1, 4

863-024-0060 Limited Licenses and Renewal

(1) If the Commissioner issues an individual a limited license under ORS 696.130, the licensee may submit a written request for an unrestricted license after the period of limitation. The request must include the endorsement of the ~~licensee's supervising~~ **authorized principal broker or licensed property manager**, if applicable.

(2) Issuance of an unrestricted license is dependent on Agency review and approval including the results of an inquiry on the licensee, including but not limited to a check through the Law Enforcement Data System.

(3) A limited licensee may only submit a license renewal application and pay the fee using an online application process, which is available through the Agency's website.

(4) For purposes of this rule, "received by the Agency" means the date a licensee completed the online renewal process and paid the fee required under ORS 696.270.

(5) A limited property manager license expires if a licensee fails to renew the license on or before the license expiration date. A licensed property manager may not engage in the management of rental real estate after a license expires. A licensed property manager may renew an expired license as provided in this rule.

(6) The Agency may renew a limited property manager license to active status for the term prescribed in OAR 863-024-0030 when the Agency has received the following:

(a) The renewal fee authorized by ORS 696.270; and

(b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under section OAR 863-020-0010.

(7) The Agency may renew a limited property manager license to inactive status for the term prescribed in OAR 863-024-0030, when the Agency has received the following:

(a) The renewal fee authorized by ORS 696.270; and

(b) An online inactive renewal application.

(8) The Agency may renew an inactive limited property manager license to inactive status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:

(a) The renewal fee authorized by ORS 696.270; and

(b) An online inactive renewal application.

(9) The Agency may renew an inactive limited property manager license to active status for the term prescribed in OAR 863-014-0030, when the Agency has received the following:

- (a) The renewal fee authorized by ORS 696.270;
- (b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee has met the license renewal continuing education requirements under OAR 863-020-0010;
- (c) An online transfer application, available through the Agency's website, completed by the receiving ~~principal broker~~ **property manager** under OAR 863-014-0063, if applicable; and
- (d) An endorsement in writing from the ~~supervising principal broker~~ **receiving property manager** acknowledging the limited license status and accepting the terms outlined in the stipulated final order.

(10) The Agency may renew an expired limited property manager license to active limited status when the Agency receives, within one year of the date the license expired, the following:

- (a) The renewal fee and a late fee authorized by ORS 696.270;
- (b) An online active renewal application that includes course information entered by the licensee demonstrating that the licensee met the license renewal continuing education requirements under OAR 863-020-0010;
- (c) An online license transfer application, available through the Agency's website, completed by the receiving ~~principal broker~~ **property manager** under OAR 863-014-0063; and
- (d) An endorsement in writing from the ~~supervising principal broker~~ **receiving property manager** acknowledging the limited license status and acceptance of the terms outlined in the stipulated final order.

(11) The Agency may renew an expired limited property manager license to inactive limited license status when the Agency receives, within one year of the date the license expired, the following:

- (a) The renewal fee and a late fee authorized by ORS 696.270; and
- (b) An online inactive renewal application.

(12) When the Agency renews an expired limited license, the renewed license is effective the date the renewal requirements are met. The renewal is not retroactive to the date the

license expired and an expired license retains the status of expired during the expiration period.

(13) A limited license renewed under this rule expires two years from the date of the original expiration date.

(14) A limited real estate license that has expired for more than one year is lapsed, as defined in ORS 696.010.

(15) A limited license may not be renewed if it is lapsed, surrendered, suspended, or revoked. Except as provided in OAR 863-014-0075, the former licensee must reapply and meet all the licensing qualifications required of new license applicants.

HB 3137 sections 1, 4

863-024-0061 Affiliated and Subsidiary Organizations

- (1) Affiliated organizations are two or more organizations whose controlling ownership interests are owned by the same licensee, licensees, entity, or entities.
- (2) A subsidiary organization is one in which the majority of the voting stock or controlling ownership interest is owned by another organization.
- (3) Affiliated or subsidiary business organizations engaging in the management of rental real estate may use the same licensed property manager or **managing** principal broker, provided that the individual registering the business name submits proof satisfactory to the Commissioner that the licensed property manager or **managing** principal **real-estate** broker actually manages and controls each affiliated and subsidiary organization.
- (4) As used in this rule, controlling ownership interest means owning 51 percent or more.

HB 3137 section 5

863-024-0063 Property Manager License Transfers, Principal Brokers' Responsibilities, Authority to Use Registered Business Name

(1) As used in this rule

~~(a) "Authorized licensee" means a licensed property manager or principal real estate broker who has authority and is responsible for a registered business name;~~

~~(b)~~ "License transfer application" means an online application that does one of the following:

~~(A)~~ (a) Transfers a property manager license to a receiving property manager in order to become associated with the ~~managing~~ principal broker or ~~licensed~~ property manager, or

~~(B)~~ (b) Authorizes a licensed property manager to use a registered business name to conduct the management of rental real estate.

~~(c) "Sending principal broker" means the authorized principal broker with whom an active property manager license is associated before the license transfer;~~

~~(d) "Sending property manager" means the licensed property manager with whom an active property manager license is associated before the license transfer;~~

~~(e) "Receiving authorized principal broker" means the authorized principal broker with whom an active property manager license will be associated after the license transfer.~~

~~(f) "Receiving property manager" means the licensed property manager with whom an active property manager license will be associated after the license transfer.~~

(2) An online license transfer application, available through the Agency's website, includes:

(a) The name and license number of the property manager licensee who is being transferred;

(b) The name of the receiving ~~principal broker, receiving~~ property manager, ~~or authorized licensee~~, license number, date, signature, and attestation or the authorized use of the registered business name.

(3) An ~~authorized~~ principal broker or licensed property manager with whom a property manager licensee is associated remains responsible for the associated licensee's management of rental real estate until the Agency receives one of the following:

(a) An online inactivation application available through the Agency's website; or

(b) An online license transfer application and fee.

(4) If an ~~an sending authorized~~ principal broker or ~~sending licensed~~ property manager with whom a licensed property manager is associated doesn't complete the online inactivation process, the ~~sending authorized~~ principal broker or ~~sending licensed~~ property manager remains responsible for the associated licensee's subsequent management of rental real estate until the Agency receives one of the following:

(a) An online inactivation application available through the Agency's website; or

(b) An online license transfer application and fee; or

(c) An online registered business name application and fee initiated by the ~~transferring licensed receiving~~ property manager.

(5) The Agency will document the registered business name under which a property manager licensee is authorized to conduct management of rental real estate when the Agency receives an online license transfer application or new registered business name application and the fee authorized by ORS 696.270.

HB 3137 section 3, 4

863-024-0065 Inactive License, License Reactivation

- (1) A property manager licensee whose license is on inactive status may not engage in management of rental real estate.
- (2) The Commissioner may reprimand, suspend, revoke, or impose a civil penalty against an inactive licensee under ORS 696.301.
- (3) The Agency will change an active property manager license to inactive license status when the Agency receives the following:
 - (a) An online inactivation application available through the Agency's website completed by the licensee to change the license status to inactive; or
 - (b) An online inactivation application available through the Agency's website completed by the ~~supervising authorized~~ principal broker or licensed-property manager.
- (4) An inactive property manager licensee may renew such license under OAR 863-024-0050.
- (5) For a period of 30 days after a property manager license becomes inactive, the inactive property manager licensee may change such license status from inactive to active under OAR 863-024-0063.
- (6) If a property manager license has not been on active status for two or more consecutive years, the following steps must be completed in the order listed to reactivate the license:
 - (a) The property manager licensee must pay a fee to the examination provider and take and pass the property manager reactivation examination required by OAR 863-024-0020.
 - (b) The property manager licensee must submit the online reactivation application and pay the fee to the Agency authorized by ORS 696.270; and
 - (c) A receiving ~~principal broker or receiving licensed~~ property manager must submit an online license transfer application available through the Agency's website according to OAR 863-024-0063. If the reactivating property manager licensee wishes to manage rental real estate under a new registered business name, the property manager licensee must register a business name under OAR 863-024-0095.
- (7) After the 30-day period in section (5) of this rule, and subject to the examination requirements in section (6) of this rule, a **licensed** property manager may change the license status from inactive to active only by submitting to the Agency:
 - (a) An online license reactivation application and paying the reactivation fee authorized by ORS 696.270; and

(b) Using an online application available through the Agency's website, a receiving ~~principal broker or receiving licensed~~ property manager must submit an online license transfer application according to OAR 863-024-0063. If the reactivating licensed property manager wishes to manage rental real estate under a new registered business name, the property manager licensee must register a business name under OAR 863-024-0095.

(8) The change of license status, transfer of license, or the reactivation of a license is effective when all requirements are met, applications are completed and fees are paid.

HB 3137 section 3, 4

863-024-0095 Business Name Registration

(1) Before managing rental real estate in any name, a licensed property manager **or principal broker** must first register the business name with the Agency using the online process available through the Agency's website. For the purposes of this rule, "registered business name" means any name under which rental real estate is managed, including the licensee's legal name, an assumed name, or the name of a business entity, such as a corporation, partnership, limited liability company, or other business entity recognized by law. A licensee must maintain the registered business name with the Oregon Secretary of State's Corporation Division for any name other than the licensee's legal name.

(2) To register a business name, the licensed property manager **or principal broker** must submit to the Agency in an online application, the following:

(a) The business name in which the licensed property manager wishes to conduct business, which must be the exact name on file with the Oregon Secretary of State or licensee's legal name;

(b) Written authority by which the licensed property manager is authorized to use the business name;

(c) For any name used other than the licensee's legal name, a valid, active Oregon Secretary of State Business Registry number; and

(d) The fee authorized by ORS 696.270.

(3) Upon registering a business name, a principal broker becomes a managing principal broker.

~~(3)~~ (4) Any change in the business name registered with the Agency must be submitted through an online application on the Agency website with the applicable fee authorized by ORS 696.270.

~~(4)~~ (5) If ~~the~~ a licensed property manager **or managing principal broker** wishes to transfer the right to use a business name that is registered with the Agency, the licensed property manager or **principal broker** acquiring the right to use the name must file a change of business name registration with the Agency together with the fee authorized by ORS 696.270. A licensee must notify the Agency in writing if the licensee terminates its use of a business name. **Upon acquiring a registered business name, a principal broker becomes a managing principal broker.**

~~(5)~~ (6) A business name registration becomes void when:

(a) The Agency receives an online application to void the registration;

(b) The registration expires; or

(c) When no licensees are affiliated with the registered business name.

~~(6)~~ (7) A voided business name registration may be reactivated by reapplying for the registration and paying the fee authorized in ORS 696.270, unless a new user has registered the business name.

~~(7)~~ (8) Except as provided in OAR 863-024-0085, no licensed property manager may engage in the management of rental real estate under more than one registered business name. An exception to this requirement is that a licensed property manager may engage in the management of rental real estate under more than one registered business name if the business entity is an affiliated or subsidiary organization as described in OAR 863-024-0061.

~~(8)~~ The initial registration term will expire on the last day of initial month of registration. The initial term is not less than 12 months and is not more than 12 months plus the number of days between the date the registration is issued and the last day of the initial registration month.

HB 3137 sections 1, 5

863-024-0097 Registered Business Name Renewal

- (1) Only an **authorized** principal broker or licensed property manager can submit a registered business name renewal application and pay the fee using an online application process, which will be available through the Agency's website.
- (2) For purposes of this rule, "received by the Agency" means the date **a licensee an authorized principal broker or licensed property manager** completed the online renewal process and paid the fee required under ORS 696.270.
- (3) A registered business name that **fails to renew is not renewed** on or before the registration expiration date will be void.
- (4) If a registered business **name is not renewed on or before the registration expiration date, becomes void**, all real estate licensees authorized to manage rental real estate under that name will be inactivated and may not engage in the management of rental real estate until transferred under OAR 863-024-0063.
- (5) A **managing** principal broker or licensed property manager that wishes to reactivate a voided registered business name must reapply after a business name expiration as provided by OAR 863-024-0095.
- (6) When a new application **of for** a voided registered business name has been processed and activated by the Agency, the **authorized principal broker** or licensed property manager **responsible for the business name** may then authorize other real estate licensees to manage rental real estate under the name by completing the process under OAR 863-024-0063. Effective dates are not retroactive.
- (7) A registered business name renewed under this rule expires one year from the date of the original expiration date.

HB 3137 section 5

863-024-0120 Deceased or Incapacitated Property Manager

(1) If the Commissioner issues a temporary license to an unlicensed person under ORS 696.205, the licensee's activities may be limited to winding up the affairs of the deceased or incapacitated managing principal broker or licensed property manager's management of rental real estate. This may include, but is not limited to, terminating property management agreements per the terms of OAR 863-025-0070.

(2) The holder of a temporary license is subject to ORS Chapter 696 and its implementing rules while engaging in professional real estate activity under the terms of the temporary license.

HB 3137

Division 25 – PROPERTY MANAGEMENT

863-025-0010 Definitions

In addition to the definitions used in ORS 696.010 and OAR 863-015-0120, as used in OAR 863-025-0015 to 863-025-0080, unless the context requires otherwise:

(1) “Agency” means the Real Estate Agency.

(2) “Audit trail” means a documented history of a financial transaction by which the transaction can be traced to its source.

(3) "Authorized principal broker" means a managing principal broker, or a principal broker associated with the managing principal broker to whom applicable supervisory control and responsibility has been allocated through a written supervisory agreement as described in ORS 696.310.

~~(3)~~ (4) “Bank” is defined in ORS 696.010.

~~(4)~~ (5) “Banking day” means each day a bank is required to be open for the normal conduct of its business but does not include Saturday, Sunday, or any legal holiday under ORS 187.010.

~~(5)~~ (6) “Business day” is defined in ORS 696.010.

~~(6)~~ (7) “Clients’ Trust Account” means a federally insured bank account labeled as “Clients’ Trust Account” or “Client Trust Account” on all bank records and checks that is established and maintained by a property manager, acting on behalf of an owner under a property management agreement, for depositing, holding and disbursing funds received by the property manager on behalf of an owner, including application fees and application screening fees that is subject to the provisions of ORS 696.241.

~~(7)~~ (8) “Compliance review” means an Agency review of a property manager’s records and procedures for the purpose of educating the property manager on statutes and rules.

~~(8)~~ (9) “Cure noncompliance” means a property manager’s acts that resolve the property manager’s failure to comply with statutory and rule requirements.

~~(9)~~ (10) “Employee” means a non-licensed individual employed by a property manager for wages or a salary.

~~(10)~~ (11) “Identifying code” means a unique series of letters and/or numbers assigned by a property manager to a property management agreement at the time the agreement is signed by the parties and used on all transactions and records to reference the agreement.

A property manager may use a supplemental unique series of letters and/or numbers on transactions and records if the property manager establishes a clear audit trail to a specific property management agreement and to the original identifying code.

~~(11)~~ (12) “Investigation” means an Agency-initiated investigation of a property manager that may result in administrative actions against the licensee.

~~(12)~~ (13) “Licensed property manager” means “licensed real estate property manager” as defined in ORS 696.010.

~~(14)~~ “Managing principal broker” as defined in HB 3137 section 2a,

~~(13)~~ (15) “Owner” means a person or persons who own rental real estate that is managed by a property manager.

~~(14)~~ (16) “Principal broker” means a “principal real estate broker” as defined in ORS 696.010.

~~(15)~~ (17) “Property management agreement” is defined in ORS 696.010.

~~(16)~~ (18) “Property manager” means a “Real estate property manager” as defined in ORS 696.010.

~~(17)~~ (19) “Reconciliation review” means a review of a property manager’s clients’ trust account reconciliation information and documents for compliance with OAR 863-025-0028.

~~(18)~~ (20) “Records” and “property management records” mean a complete and adequate documentation of the management of rental real estate.

(21) “Real estate licensee,” for the purposes of this division, is defined as a real estate broker, principal real estate broker, and real estate property manager-, but does not include timeshare sales agents.

~~(19)~~ (22) “Security Deposit” means a conditionally refundable payment or deposit of funds, however designated, the primary function of which is to secure the performance of a rental or lease agreement or any part of a rental or lease agreement.

~~(20)~~ (23) “Security Deposits Account” means a federally insured clients’ trust account labeled as “Clients’ Trust Account — Security Deposits” or “Client Trust Account SD” on all bank records and checks that is established and maintained by a property manager, acting in a fiduciary capacity on behalf of an owner under a property management agreement, for depositing, holding and disbursing security deposit funds that is subject to the provisions of ORS 696.241.

~~(21)~~ (24) “Sufficient funds” or “sufficient credit balance” means an amount of funds on an owner’s ledger or a tenant’s ledger that is equal to or greater than the amount of a planned disbursement from a clients’ trust account or a security deposits account but which must not include any security deposits in a security deposits trust account that are required to be held pending the termination of a rental agreement. Only funds belonging to the owner or tenant on whose behalf the disbursement is planned may be considered in determining if there are sufficient funds or a sufficient credit balance.

HB 3137 section 1

863-025-0015 Written Policies and Delegation of Authority

(1) Each property manager must develop, maintain, and follow written policies for persons and activities under this rule.

(2) Each policy must state the effective date of the policy.

(3) Policies must specify the duties, responsibilities, supervision and authority, including any authority to handle funds in a clients' trust account or security deposits account, for the following persons:

(a) A licensed property manager employed by ~~the~~ a property manager, including any authority to negotiate tenant rental and lease agreements;

(b) An active real estate licensee engaged in the management of rental real estate under the supervision and control of an **authorized** principal broker, including any authority to sign property management agreements under OAR 863-025-0020(6) and tenant rental and lease agreements under 863-025-0045(2); and

(c) An employee of the property manager, including any authority to:

(A) Negotiate tenant rental or lease agreements under OAR 863-025-0045(2);

(B) Check applicant or tenant references, including credit references;

(C) Physically maintain the real estate of an owner;

(D) Conduct tenant relations;

(E) Collect rent and other payments;

(F) Supervise premise managers; or

(G) Discuss financial matters relating to management of the real estate with the owner; and

(d) Contractors.

(4) Policies must include provisions that specify the production and maintenance of all reports, records and documents required under this division.

(5) The following delegations of the property manager's authority must be in writing, dated and signed by the property manager and signed by the individual who is receiving the authority, and kept with written policies:

(a) Negotiate and sign property management agreements under OAR 863-025-0020(6);

(b) Review and approve reconciliations and receive and disburse funds under OAR 863-025-0028(5); and

(c) Review, approve and accept tenant rental and lease agreements under OAR 863-025-0045(2).

HB 3137 sections 21, 22

DRAFT

863-025-0020 Property Management Agreements

(1) A property manager must not engage in the management of rental real estate without a written, unexpired property management agreement between the owner and the property manager.

(2) A property management agreement must include, but is not limited to:

- (a) The address or legal description of the owner's rental real estate;
- (b) The duties and responsibilities of the property manager and the owner;
- (c) The authority and powers given by the owner to the property manager;
- (d) The term of the agreement and the method for termination;
- (e) The terms and conditions of the agreement;
- (f) The management fees, application fees, screening fees, rebates, discounts, overrides and any other form of compensation to be received by the property manager for management of rental real estate including when such compensation is earned and when it will be paid;
- (g) A description of the monthly statements of accounting the property manager will provide to the owner;
- (h) The disposition of the property manager's records of the management of the owner's rental real estate after termination of the agreement;
- (i) Disclosure of the use of employees or a business in which the property manager has a pecuniary interest at the time of the execution of the property management agreement, that will provide services for the owner's property;
- (j) A statement that the property manager will disclose to the owner, in writing, the property manager's planned use of any employees or a business in which the property manager has a pecuniary interest to provide services for the owner's property, if such employees or business were not disclosed in the property management agreement pursuant to section (2)(i) of this rule;
- (k) An identifying code;
- (L) Signatures of the property manager, or a person authorized in section (6) of this rule, and the owner; and
- (m) The date of the agreement.

(3) If the property manager and owner agree to any of the following terms, the terms must be included in the property management agreement:

(a) Payment of a referral fee, rent credit or other compensation to a tenant as allowed under ORS 696.290(5);

(b) Placement of trust funds received by a property manager in a federally insured interest-bearing clients' trust account or security deposits account as allowed under ORS 696.241(7), including provisions specifying to whom the interest earnings inure as follows:

(A) If the interest earnings inure to the benefit of the owner, when such interest earnings will be disbursed;

(B) If the interest earnings inure to the benefit of the property manager, that such interest will be disbursed to the property manager within ten calendar days from the date of the bank statement on which such interest is first shown as required in OAR 863-025-0025(8) and

(c) Specific charges that will be paid by the owner.

(4) Any amendment or addendum to the property management agreement must be in writing and include the identifying code, the date of the amendment, the signature of the property manager and the signatures of all owners who signed the initial property management agreement.

(5) Only a principal real estate broker or real estate broker may enter into an agreement, which must be separate from the property management agreement, authorizing the principal broker or real estate broker to represent an owner in the purchase, sale, lease-option or exchange of the rental real estate that must include:

(a) The scope of the professional real estate activity;

(b) The term of the agreement;

(c) The compensation to be paid by the owner to the broker;

(d) Signatures of the real estate broker and the owner; and

(e) The date of the separate agreement.

(6) Only a property manager may negotiate and sign a property management agreement, except that a ~~principal real estate broker~~ authorized principal broker engaging in the management of rental real estate may delegate such authority under OAR 863-025-0015(5) to a real estate licensee who is under the supervision and control of the ~~principal real estate broker~~ authorized principal broker.

(7) The property manager must promptly deliver a legible copy of the fully executed property management agreement, and any addenda or amendments, to the owner.

HB 3137 section 16

DRAFT

863-025-0045 Tenant Agreements

(1) Residential Property. The property manager must file and maintain legible copies of all tenant rental or lease agreements for the time period required under OAR 863-025-0035. Each tenant rental or lease agreement prepared by a property manager for residential real estate must contain, in addition to and not in lieu of any applicable requirements of the Residential Landlord and Tenant Act, the following:

- (a) The registered business name and business address of the property manager and the name and address of the tenant. If a real estate licensee executes the rental or lease agreement on behalf of the licensee's **authorized** principal broker, the name of the real estate licensee acting for the **authorized** principal broker in executing the agreement;
- (b) The mailing address or unit number of property being rented or leased, the amount and payment conditions of the rental or lease, and the rental or lease term;
- (c) The amount of and the reason for all funds paid by the tenant to the property manager including, but not limited to, funds for rent, conditionally refundable security deposits including whether held by the property manager or the property owner, and any fees or other charges;
- (d) Signatures of the property manager, or person authorized under OAR 863-025-0015, and the tenant; and
- (e) The date of the agreement.

(2) The property manager must promptly deliver a legible copy of the fully executed tenant agreement, and any addenda or amendments, to the tenant.

(3) Residential and Non-Residential Property. The property manager must file and maintain legible copies of all tenant's rental or lease agreements for the time period required under OAR 863-025-0035. A property manager must review each tenant rental or lease agreement generated by the property manager; however, a property manager may authorize in writing another individual who is licensed to or employed by the property manager to review and approve and accept tenant rental and lease agreements on behalf of the property manager. In case of such authorization, the property manager remains responsible for each tenant rental and lease agreement approved or accepted by such real estate licensee or employee. The property manager must produce the written authorization at the request of the Commissioner or the Commissioner's authorized representative.

863-025-0090 Reconciliation Review

- (1) The Agency will conduct clients' trust account reconciliation reviews.
- (2) The Agency will provide a property manager with written notice of a clients' trust account reconciliation review at least 10 business days before required information and documentation must be provided to the Agency.
- (3) After the Agency reviews the information and documents provided in a reconciliation review, the Agency will take one of the following actions:
 - (a) If the information and documents are in compliance with statutes and rules, the Agency will provide written notice to the property manager confirming compliance only as to the information and documents provided;
 - (b) If the information and documents indicate that the property manager may be subject to additional documentation and procedural requirements that were not part of the reconciliation review, the Agency will provide written notice to the property manager detailing the Agency's expectations for compliance on those matters;
 - (c) If the information and documents demonstrate that the property manager is not in compliance, the Agency will provide written notice to property manager that:
 - (A) The property manager must cure all noncompliance issues and provide information and documentation to the Agency that the noncompliance has been cured within 30 days of the date of the notice; and
 - (B) If all noncompliance issues are not cured within 30 days, the Agency may:
 - (i) Issue an educational letter of advice;
 - (ii) Impose sanctions on the property manager; or
 - (iii) Initiate an investigation and not allow additional time for the **principal broker property manager** to cure the noncompliance.
 - (d) If the Agency has reasonable grounds to believe that the funds belonging to others may be missing, funds may have been misappropriated, or that the property manager's records are in such a condition that the property manager is placing funds belonging to others at risk, the Agency may immediately initiate an investigation without providing a principal broker with an opportunity to cure noncompliance.
- (4) If a property manager does not respond to a reconciliation review within the time period required in the notice, the Agency may initiate an investigation.

(5) The Agency may conduct a reconciliation review:

(a) As part of a regular, routine, and random selection of property manager clients' trust accounts for reconciliation mail-in reviews;

(b) After a compliance review, when the Agency has determined that a property manager was not in compliance and provided the ~~principal broker~~ property manager with an opportunity to cure the non-compliance; and

(c) After an investigation has been initiated.

Rule clean up

DRAFT

863-025-0125 Advertising

(1) As used in this rule, "advertising" and "advertisement" include all forms of meaningful communication by or on behalf of a property manager designed to attract the public to the use of services related to the management of rental real estate. This includes, but is not limited to:

- (a) Print, including but not limited to mail, publications, brochures, postcards, business cards, and stationery;
- (b) Signs, including but not limited to lawn signs, displays, and billboards;
- (c) Phone, including but not limited to mobile phone, text messaging, cold calling, and outgoing voicemail messaging;
- (d) Broadcast media, including but not limited to radio, television, podcasts, and video; and
- (e) Electronic media, including but not limited to multiple listing services, websites, email, social media, mobile apps, and other online marketing.

(2) Advertising shall:

- (a) Be identifiable as advertising of a real estate licensee;
- (b) Be truthful and not deceptive or misleading;

~~(d) (c)~~ Not state or imply that the licensee is responsible for operating the registered business **unless the licensee is a managing principal broker or a licensed property manager pursuant to ORS 696.200; if the licensee is a principal broker or licensed property manager but not the authorized licensee for the registered business name as defined in OAR 863-024-0063;**

- (e) Not state or imply that the licensee is qualified or has a level of expertise other than as currently maintained by the licensee; and
- (f) Be conducted for the purpose of offering real estate for rent or lease under a property management agreement with the property owner.

(3) Advertising that includes the licensee's name shall use:

- (a) The licensee's licensed name;
- (b) A common derivative of the licensee's first name and the licensee's licensed last name; or

(c) An alternative name registered with the Agency per OAR 863-024-XXXX and the licensee's license number.

(4) The registered business name, as registered with the Agency, shall be immediately noticeable in all advertising.

(5) Advertising in electronic media is subject to the following requirements:

(a) Advertising shall comply with all other requirements of this rule;

(b) Advertising by a property manager shall include on its primary or home page:

(A) The licensee's name as required in section (3) of this rule; and

(B) The registered business name as registered with the Agency.

(c) Sponsored links, which are paid advertisements located on a search engine results page, are exempt from the requirements contained in subsection (b) of this section if the first page following the link complies with subsection (a).

(d) An email or text message from a licensee is exempt from the requirements of subsection (b) of this section if the licensee's initial communication contained the information required by subsection (a).

(e) Advertising on social media is exempt from the requirements contained in subsection

(b) of this section if the advertising links to the account profile page or a separate page that complies with subsection (b).

(6) No advertising may guarantee future profits from any rental real estate.

HB 3137 section 11

Division 50 ESCROW AND ESCROW AGENT REGULATIONS

863-050-0052 Disbursal of Disputed ~~Principal Real Estate Managing~~ ~~Principal~~ Broker Compensation

If there is a dispute among or between ~~principal real estate managing principal~~ brokers regarding who is entitled to the moneys or other property agreed to as compensation in a written compensation agreement, and the escrow agent is holding such moneys or other property pursuant to ORS 696.582(1)(a), the escrow agent must hold the moneys or other property until the escrow agent receives a written agreement between the ~~principal real estate managing principal~~ brokers or a final order from a court directing the escrow agent to disburse the moneys or other property.

HB 3137



Oregon

Tina Kotek, Governor

AGENDA ITEM NO. V.A.

Real Estate Agency

775 Summer St. NE, Suite 330
Salem, Oregon, 97301
Phone: (503) 378-4170
www.oregon.gov/rea

Fair Housing Required Course 2026-2027

For courses offered January 1, 2026, to December 31, 2027

OVERVIEW

This document provides the course content for the 2-hour State and Federal Fair Housing Laws Course approved by the Oregon Real Estate Board. All real estate active broker, principal broker and property licensees must take and complete this course from a certified continuing education provider to meet the renewal requirement per [HB 3137](#).

This document will be posted on the Oregon Real Estate Agency's website at www.oregon.gov/rea.

HOW TO OFFER

A Certified Continuing Education Provider must meet all the requirements and responsibilities of a [CE provider](#), including:

- Notifying the Oregon Real Estate Agency by logging in to your eLicense account if you have not done so before.
- Developing your Fair Housing course using this document.
 - Use the written learning objectives for the required course topics.
- Ensuring that your Fair Housing course will take each licensee a minimum of 2 hours to complete. A break of no more than 10 minutes per hour of instruction may be allowed.
- Making sure your advertising and certificates of attendance indicate name of the course as the "Fair Housing Required Course 2026-2027." Abbreviations to "Fair Housing" and "Fair Housing Course" are acceptable.
- Confirming that you have a completed and signed [Continuing Education Instructor Qualification Form](#) for each instructor teaching the course.
- Maintaining records as required in [OAR 863-020-0055](#).

Learning Objectives

Effective January 1, 2026, through December 31, 2027

Fair Housing Act

Overview:

The purpose of fair housing laws and rules is to prevent discrimination against people on the basis of a protected class during a property transaction. Federal, state and local regulations prohibit brokers, sellers, lenders, and insurers from adopting discriminatory policies against people in protected classes.

The Fair Housing Act prohibits discrimination in the sale, rental, and financing of housing based on race, color, national origin, religion, sex, familial status, and disability. In addition to the federal protected classes, the state of Oregon has included additional protected classes, and many local governments have included even more.

Upon completion of this course the licensee will be able to:

- List the federal protected classes.
- Describe the history of discriminatory practices by regulators and industry professionals related to restricted covenants, redlining, blockbusting, and steering that led to the creation of the Fair Housing Act.
- Define blockbusting.
- Define redlining.
- Define steering.
- Define implicit bias.
- Define disparate impact.
- List Oregon's protected classes (source of income, domestic violence survivors, marital status, sexual orientation, and gender identity, see [Oregon Revised Statute \(ORS\) chapter 659A](#), [Oregon Administrative Rule chapter 839](#), and [ORS 90.445](#)) and compare with the federal protected classes.
- Identify when parties are exempt from the Fair Housing Act ([Congress.gov](#)).
- Describe the real estate property types covered in the Fair Housing Act ([HUD Guidance - Housing Types](#)).
- Explain fair housing advertising guidelines ([Fair Housing Institute Guidelines](#)).
- Understand under what circumstances reasonable accommodations and reasonable modifications are necessary to allow persons with disabilities to enjoy their housing ([HUD Reasonable Accommodations](#)).
- Understand the laws that govern protections from discrimination against disability at the federal level ([Federal Fair Housing Act Sec. 804](#)).
- Identify prohibited actions involving the sale and rental of housing under the Fair Housing Act ([Federal Fair Housing Act Sec. 804 through 806](#)):
 - [*Real Estate Transaction:*](#)

Based on protected classes, an individual subject to fair housing laws, including Oregon real estate licensees, **cannot**:

 - Refuse to sell or negotiate in the sale of housing.
 - Falsely deny that housing is available for an inspection.
 - Make housing unavailable.
 - Indicate any preference, limitation, or discrimination within any statement, advertisement, or published notice.
 - Discourage the purchase of a dwelling.

○ Property Management:

Based on protected classes, an individual subject to fair housing laws, including Oregon real estate licensees, **cannot**:

- Discourage the rental of a dwelling.
- Refuse to rent or negotiate, in the rental of housing.
- Make housing unavailable.
- Set different terms, conditions or privileges for the rental of a dwelling.
- Provide a person different housing services or facilities.
- Indicate any preference, limitation or discrimination within any statement, advertisement, or published notice.
- Threaten, intimidate or interfere with a person's enjoyment of a dwelling. This includes visitors or associates of the tenant.
- Threaten an employee or agent with firing or other negative action for any legal, non-discriminating, pro-regulatory, effort to help someone rent a unit.
- Limit privileges, services or facilities of a dwelling.
- Fail or delay maintenance or repairs.
- Fail to investigate or address allegations that a tenant or group of tenants is harassing or threatening another tenant.
- Retaliate against a person who has made a complaint, testified, or in any way assisted with proceedings under the Fair Housing Act.

○ Rental Screening Process:

Based on protected classes, an individual subject to fair housing laws, including Oregon real estate licensees, **cannot**:

- Use different qualification criteria or applications.
 - Use different rental standard, or procedures, such as income standards, application fees, credit analyses, or rental approval procedures or other requirements.
- Recognize prohibited actions relating to mortgage lending under the Fair Housing Act (Example: Refuse to make a mortgage loan or provide other financial assistance for a dwelling.).
 - Review fair housing violation cases **for each** of the following categories: Religion, sex, familial status, disability, national origin, race, or color).

Certified continuing education providers shall use case study examples located on the U.S. Department of Justice's website ([Civil Rights Division, Case Summaries](#)). Examples are provided below:

- Religion:
Morris v. West Hayden Estates First Addition HOA (9th Cir., 2024)
- Sex:
United States v. Donahue (W.D. Wis., 2024)
Fox v. Gaines (11th Cir. 2021)
- Familial status:
Payton v. Arias (W.D. Va. 2022)
- Disability:
United States v. Aqua 388 Community Association (C.D. Cal., 2024)
United States v. Montagne Development, Inc. (D. Or., 2013)
- Race:
Housing Equality Center of Pennsylvania v. Pro-Managed LLC (E.D. Pa., 2023)
United States v. City of Springfield, Illinois (C.D. Ill., 2021)
- National Origin:
United States v. City of Anoka, Minnesota (D. Minn., 2024)

United States v. ESSA Bank (E.D. Pa.)

- Understand the two categories that fall under sexual harassment: quid pro quo and hostile environment.
- Recall that the Oregon Bureau of Labor & Industries (BOLI) is Oregon's governing agency that reviews complaints, regulates, and assesses civil penalties for fair housing violations.
- Understand that BOLI and the Oregon Real Estate Agency share complaint information and report findings regarding fair housing violations.
- Explain how to submit a fair housing complaint:
 - BOLI, Civil Rights Division ([here](#)).
 - U.S. Department of Housing and Urban Development ([here](#)).
- Outline the key elements of [SB 599](#):
Prohibits landlords from inquiring about or discriminating on the basis of a tenant's or applicant's immigration or citizenship status or rejecting an applicant due to immigration status.

Additional Resources:

U.S. Housing and Urban Development

- [Fair Housing Rights and Obligations](#)
- [Info for Real Estate Brokers and Agents](#)
- [Equal Housing Opportunity Graphics for Printing](#)
- [Fair Lending Guide](#)
- [Fair Housing Types of Housing Covered](#)

Oregon Bureau of Labor and Industries (BOLI)

- [Fair Housing Page](#)
- [Housing Discrimination Page](#)

Fair Housing Council of Oregon

- [Fair Housing Council of Oregon Home Page](#)
- [Information for Housing Providers](#)
- [Protected Classes in Oregon by City and County](#)



Law and Rule Required Course 2026-2027

For courses offered January 1, 2026, to December 31, 2027

OVERVIEW

This document provides the course content for the 2-hour Law and Rule Required Course (LARRC) approved by the Oregon Real Estate Board. All real estate licensees must take and complete LARRC from a certified continuing education provider to meet the requirement to take a 2-hour continuing education course on recent changes in real estate rule and law found in ORS696.174.

This document will be posted on the Oregon Real Estate Agency's website at www.oregon.gov/rea.

HOW TO OFFER LARRC

A Certified Continuing Education Provider must meet all the [requirements and responsibilities of a LARRC provider](#), including:

- Notifying the Oregon Real Estate Agency by logging in to your eLicense account if you have not done so before.
- Developing your LARRC course using this document.
 - Use the written learning objectives for the required course topics.
 - Write your own learning objectives for the optional topics that you may choose to include in your LARRC course.
- Ensuring that your LARRC course will take each licensee a minimum of 2 hours to complete. A break of no more than 10 minutes per hour of instruction may be allowed.
- Making sure your advertising and certificates of attendance indicate name of the course as the "Law and Rule Required Course 2026-2027." You may also use the abbreviation "LARRC 2026-2027."
- Confirming that you have a completed and signed [Continuing Education Instructor Qualification Form](#) for each instructor teaching the course.
- Maintaining records as required in [OAR 863-020-0055](#).

COURSE CONTENT

The LARRC course content approved by the Oregon Real Estate Board has required course topics and optional course topics.

Required topics

The required topics were developed from changes made to Oregon Revised Statutes Chapter 696 and Oregon Administrative Rules Chapter 863, as well as input from the Board, Oregon Real Estate Agency staff, and other stakeholders. Learning objectives have been provided.

Optional topics

The optional topics were compiled from legislation passed in the 2024 and 2025 sessions that the Board determined may have an effect on real estate licensees in Oregon. Additionally, other topics may be added that the Board feels may benefit real estate licensees. The topics were developed with input from the Board, Oregon Real Estate Agency staff, and other stakeholders.

Each continuing education provider is responsible for making sure that learning objectives are developed for each of the optional topics that the provider chooses to include.

Special Interest LARRC Classes

Certified continuing education providers may offer LARRC classes aimed at a specific type of licensee. Such classes must contain the required course topics but may focus on optional topics approved by the Board that have a particular interest to licensees who manage rental real estate or are responsible for Registered Business Names.

There is no requirement to offer such a course; the decision to offer a special interest LARRC course would be a business decision made by the provider.

A provider who chooses to create such a class must still name it on advertising and the certificates of attendance as "Law and Rule Required Course 2026-2027."

Law and Rule Required Course(LARRC)

Required Topics

Effective January 1, 2026, through December 31, 2027

[House Bill 2373](#)

Overview:

House Bill 2373 passed in 2025 and goes into effect January 1, 2026. This bill amends ORS 696 adding a new license specifically for timeshare real estate sales, distinct from existing real estate licenses. It includes provisions for licensing and supervisory requirements.

Learning Objectives:

Upon completion of this course the licensee will be able to:

- Define the role and responsibilities of a timeshare sales agent.
- Recognize the key licensing requirement of a timeshare sales agent, including:
 - Pre-licensing instruction of 14 hours.
 - Applicants must be at least 18 years old, pass a background check and complete an examination specific to timeshare sales, and pay an application fee.
 - Timeshare sales agents must renew their license every two years.
 - No continuing education, including the law and rule required course, is required at time of renewal.
- Identify the distinction between a timeshare sales agent license and a principal broker and broker license, including:
 - Timeshare sales agents are restricted to the timeshare sales only.
 - Brokers and principal brokers may continue to conduct timeshare sales.
 - Three years' experience as a timeshare sales agent does not meet the experience requirements to become a principal broker.
- Recognize that principal brokers are required to supervise all timeshare sales agents.
- Recall the exemption to timeshare licensing requirements as described in ORS 696.030(30) and (31).

[House Bill 4058](#)

Overview:

House Bill 4058 passed in 2024 and is currently in effect. Found in Oregon Laws 2024, Chapter 3, this bill regulates residential property wholesaling by requiring individuals who market and assign contracts for residential properties -without holding legal title- to register with the Oregon Real Estate Agency and meet disclosure requirements. This bill also introduces the mandatory written buyer representation agreement and restrictions on future right to list contracts.

Learning Objectives:

Upon completion of this course the licensee will be able to:

Wholesaling:

- Define Residential Property Wholesaling.

- Locate wholesaling rules in Oregon Administrative Rule 863 Division 17.
- Recall the registration requirements for individuals who are not already holding an Oregon real estate license, including:
 - The registrant must be 18 years or older, pass a background check, and pay a registration fee.
 - Certification that the registrant has a high school diploma or acceptable equivalent.
 - A list of all the business names used in conducting wholesaling activity, with evidence that all business names are authorized to do business in the state and registered with the Oregon Secretary of State.
- Recognize that registered wholesalers are required to renew annually.
- Recall the exemption to residential property wholesaling as described in Oregon Laws 2024, Chapter 3, Section 2.
- Locate required residential property wholesaler disclosures on the Agency website.
- Explain the requirements for written disclosure to all parties involved in a residential property wholesaling transactions, including disclosures to potential sellers, potential buyers, real estate agents, and in all advertising. Written disclosure must:
 - Be in writing, in 10-point bold type.
 - At minimum state the individual is a residential wholesaler, has only equitable interest in the property, does not hold legal title, and may not be a licensed broker.
 - Describe buyer and seller cancellation and termination rights.
- Recall that an Escrow agent may disburse earnest money or other deposits to the seller without the need for separate written instructions from the registered wholesaler if the wholesaler fails to provide disclosures to the seller before entering into the written contract.
- Recall that the registered wholesaler shall be liable for damages incurred by the buyer or seller if the wholesaler fails to provide written disclosure and the purchase and sales agreement is terminated as a result.
- Recall the Agency's right to investigate and discipline registrants and licensees for violations of wholesaling law and rule.
- Find where to look-up a residential property wholesaler on the Agency website.

Representation Agreements:

- Define Representation Agreement.
- Identify the requirements of a listing agreement, including:
 - An expiration date and the licensee's license number.
 - The name and contact information, including the phone number, of the principal broker responsible for the supervision of the broker.
 - State if the agreement is exclusive or nonexclusive.
 - Prohibited from subjecting the seller to the payment of two or more commissions for one sale if the seller lists the property with a subsequent broker or principal broker after the listing agreement expires or is terminated by mutual agreement.
 - Describe the legal obligations of a seller's agent as described in ORS 696.820.
 - May not enter into a listing agreement if the duration of the listing agreement exceeds 24 months.
 - Must be entered into before a real estate licensee begins efforts to find a buyer.
- Identify the requirements of a buyer representation agreement, including:
 - The term of the agreement including the effective date and expiration date and the licensee's license number.
 - The name and contact information, including the phone number, of the principal broker responsible for the supervision of the broker.
 - The buyers general search criteria.

- An explanation on how the buyer's agent may be compensated.
- State if the agreement is exclusive or nonexclusive.
- Termination rights provisions for both the buyer and the licensee.
- Describe the legal obligations of a seller's agent as described in ORS 696.820.
- May not enter into a representation agreement if the duration of the agreement exceeds 24 months.
- Must be entered into before or as soon as reasonably practicable after, the licensee has commenced efforts to assist a buyer in purchasing real property.
- Identify what representation agreements are required when licensee is a disclosed limited agent.

Future Right to List:

- Define "future right to list contract."
- Identify "future right to list" restrictions.

[House Bill 3137](#)

Overview:

House Bill 3137 passed in 2025 and goes into effect January 1, 2026. This bill establishes a formal designation of "managing principal broker" responsible for maintaining the registered business name in the Agency's database. The bill mandates written supervisory agreements that include supervisory and control plans as well as succession planning. It also updates continuing education requirements, allows commission sharing with a nonprofit organization, introduces proficiency assessments for first active renewals, and formalizes disclosure requirements and rules for real estate teams.

Learning Objectives:

Upon completion of this course the licensee will be able to:

- Explain and define managing principal broker, principal broker, and broker. Recognizing that:
 - Only one managing principal broker identified per registered business name (RBN).
 - The managing principal broker is responsible for maintaining the RBN in eLicense.
 - Managing principal brokers hold a principal broker license.

Supervisory Agreements

- Define supervisory agreement and identify when a supervisory agreement is required.
- Recognize that only a managing principal broker or principal broker with a written supervisory agreement permitting the principal broker to supervise licensees may control or supervise a main office, branch office or portions of an office.
- Identify the Intracompany supervision and control requirements described in ORS 696.310. The supervisory agreement must include the following provisions:
 - If a principal broker, other than the managing principal broker, is responsible for the supervision of any associated broker, a written supervisory agreement between the managing principal broker and the principal broker accepting responsibility must be executed.
 - Succession planning is required to address scenarios where the managing principal broker becomes deceased or incapacitated or their license becomes inactive, expired, or associated with a different RBN.
 - Expressly state that the managing principal broker's responsibility for professional real estate activities of all real estate licensees associated with the RBN may not be limited by the supervisory agreement.

- Recall the managing principal broker's supervision and control requirements include the management of:
 - Professional real estate activities for all associates.
 - Use of all disclosure forms and contracts.
 - Document filing and storage.
 - Handling of client trust account funds.
 - Unlicensed assistants by associate brokers.
 - Education of associated brokers on federal, state and local laws relating to the practice of real estate.
 - Reviewing and inspecting documents that may have a material effect on the rights or obligations of a party to a transaction.
 - Ensuring all licensees associated with RBN hold an active real estate license before conducting any professional real estate activity.
- Recall that the managing principal broker may allocate some or all of their supervisory control to another principal broker(s), associated with the same RBN, under a written supervisory agreement.
- Recall that the managing principal broker is responsible for establishing a system for monitoring compliance of their associated brokers with statutes, rules, and the brokerage's policies, procedures and systems.
- Recognize that the managing principal broker is responsible for the acts of all associated brokers related to professional real estate activities while associated with the RBN.
- Recognize that failing to exercise reasonable supervision and control over the activities of associated licensees is grounds for discipline for managing principal brokers.

Continuing Education/Proficiency Assessment

- Recognize that to renew an active license or to reactivate a license for the first time since the licensee was renewed to an inactive status, a real estate licensee must complete 30 hours continuing education; at least 2 hours must be the Law and Rule Required Course (LARRC), and 2 hours must be on state and federal fair housing. Course learning objectives must be approved by the Real Estate Board.
- Recall that to renew an active license for the first time or to reactivate a license for the first time since the licensee renewed to an inactive status, a real estate licensee shall pass a proficiency assessment as part of the respective advanced practices course.

Real Estate Teams

- Define real estate teams.
- Identify the requirements of working in a real estate team, including:
 - A real estate team is a subdivision of the RBN in which they are associated. Advertising cannot state or imply that the real estate team is a separate legal entity from the RBN.
 - The managing principal broker must approve the use of a team.
 - Disclosure requirements before entering into a written representation or listing agreement.
 - Supervisory requirements.
 - Real estate team name may not use the term "realty," or "real estate" and may not be the same as the RBN.
 - Disclosed limited agency requirements.
- Recognize the advertising requirements for real estate teams as described in OAR 863-015-0125.

Commission Sharing

- Recall that a real estate licensee may share their compensation arising from a real estate transaction with a charitable organization that is tax exempt under section 501(c)(3) of the Internal Revenue Code.

[House Bill 3522](#)

Overview:

Oregon House Bill 3522 created a legal pathway for property owners to remove unauthorized occupants- commonly referred to as squatters-by providing a 24-hour written notice to vacate. Streamlining the process for reclaiming property and ensure legal clarity for landlords dealing with unauthorized occupancy.

Learning Objectives:

Upon completion of this course the licensee will be able to:

- Recall that Oregon law provides a statutory pathway for landlords to remove unauthorized occupants through a 24-hour notice process and should be prepared to refer clients to legal counsel as appropriate.

[Senate Bill 586](#)

Overview:

Senate Bill 586 allows landlords selling a rental unit to a buyer intending to reside there to offer the tenant one-month rent payment in exchange for reducing the notice period from 90 days to 60 days.

Learning Objectives:

Upon completion of this course the licensee will be able to:

- Recall this new option for allowing landlords to shorten the statutory *90-day notice* to 60 days by offering a one-month rent payment and be prepared to direct their client to legal counsel as appropriate.

Law and Rule Required Course (LARRC)

Optional Topics

Effective January 1, 2026, through December 31, 2027

The optional topics below were compiled from legislation passed in the 2024 and 2025 sessions that the Board determined may have an effect on real estate licensees in Oregon. The topics were developed with input from the Board, Oregon Real Estate Agency staff, and other stakeholders.

Each continuing education provider is responsible for making sure that learning objectives are developed for each of the optional topics that the provider chooses to include.

2024-2025 OREGON LEGISLATION

[House Bill 3746](#)

Reduces the statute of repose for construction-defect claims in planned communities and condominiums from 10 years to 7 years, with an added one-year discovery period if defects surface in years six or seven.

[House Bill 2134](#)

Empowers tenants in fixed-term residential leases to terminate their tenancy without penalty if the landlord issues notice that the lease will not be renewed beyond its term-provided the tenant gives at least 30 days' written notice. The law applies when such landlord notice is given 90 days or more before lease expiration and prohibits landlords from charging early termination fees or rent beyond the tenants vacate date.

[House Bill 3054](#)

This Act limits rent increases and sales constraints by a landlord in a home park or marina. Fixes at six percent maximum rent increase for rental spaces in a larger facility. Effective September 1, 2025.

[House Bill 3136](#)

Eliminates the restriction on the number of real estate professionals that can serve on city or county planning commissions, allowing more than two members engaged in real estate sales, development, or related activities if the commission has over five members.

[House Bill 3378](#)

Requires landlords to offer tenants a physical method of accessing their dwelling unit such as a key, fob, key card, or access code- for dwelling access in addition to any electronic access via smartphone or tablet. It also mandates working locks on all entrance doors and latches on windows.

[House Bill 3521](#)

Requires landlords to refund deposits to rental applicants within five business days if a rental agreement is not executed due to the landlord's failure to comply with the agreement or if the applicant rejects the agreement based on uninhabitability.

[Senate Bill 599](#)

Prohibits landlord and real estate professional from inquiring about or discriminating based on an applicant's or tenant's immigration or citizenship status. It bans requests for certain types of identification documentation,

forbids disclosure or threat of disclosure of immigration status for improper purposes, and establishes civil penalties for violations. Effective May 28, 2025.

[Senate Bill 973](#)

Focuses on publicly supported housing and requires landlords to provide tenants and applicants with advance notice of when affordability restrictions may be terminated.

[Senate Bill 1527](#)

Modifies the first-time home buyer savings account program by removing administrative barriers- such as the requirement for financial institutions to issue an annual certificate- simplifying account setup.

ADDITIONAL OPTIONAL TOPICS

- Review of recent administrative actions taken against licensees found in the [Oregon Real Estate News Journal](#).
- Review of recent articles found in the [Oregon Real Estate News Journal](#).
- Review of Oregon Administrative Rules chapter 863.
- Review the difference between statutes and rules.
- Review the role of the Oregon Real Estate Agency, including:
 - Education and examination for brokers, principal brokers and property managers.
 - Licensing and regulation of real estate principal brokers, brokers, property managers and escrow and escrow agents.
 - Regulation of condominiums, timeshare and campground registrations, real estate marketing organizations, out-of-state subdivisions, and certain manufactured dwelling subdivisions.
 - Investigation of complaints against real estate licensees and escrow agents, and investigation of cases of unlicensed professional real estate activity.
 - The complaint process and what a licensee must provide when responding to a complaint.
- Issues concerning radon, including information to alert potential buyers of one- and two-family dwellings.

ADMINISTRATIVE ACTIONS
Reported 5/19/2025
through 07/22/2025

REVOCATIONS

Fabrique, Adrienne L, Property Manager, PM.201239101, Default Final Order dated July 8, 2025, issuing a revocation and \$11,000.00 civil penalty.

SUSPENSIONS

Johnson, Samuel, Property Manager, PM.201213921, Stipulated Order dated June 25, 2025, issuing a suspension.

Watson, Angela Ann, Property Manager, PM.201216951, Default Final Order dated July 8, 2025, issuing a suspension.

REPRIMANDS

Griffin, Ian, Principal Broker, PB.20120923, Stipulated Order dated May 28, 2025, issuing a reprimand.

Fisher, Christopher T, Broker, B.201237715, Stipulated Order dated May 28, 2025, issuing a reprimand.

Hartsook, Bradley Wade, Property Manager PM.201219468, Stipulated Order dated June 2, 2025, issuing a reprimand.

Wright, Samantha, Broker, B.201235012, Stipulated Order dated June 17, 2025, issuing a reprimand.

Lozano, Eric Norris, Property Manager, PM.201203875, Stipulated Order dated June 23, 2025, issuing a reprimand.

Labby, Paul H, Principal Broker, PB.800604263, Stipulated Order dated July 14, 2025, issuing a reprimand.

CIVIL PENALTIES

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

Tang, Xiao Q, Principal Broker, PB.200406248, Stipulated Order dated June 26, 2025, issuing a \$3,000.00 civil penalty

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

ADRIENNE L FABRIQUE

FINAL ORDER BY DEFAULT

PROCEDURAL HISTORY AND PROCEDURAL LAW

1.

1.1 On June 5, 2025, the Real Estate Commissioner issued, by certified mail, a *Notice of Intent to Revoke License No. PM.201239101 and to Assess a Civil Penalty* the real estate property manager license of Adrienne Fabrique (Fabrique). The Oregon Real Estate Agency (Agency) sent the Notice of Intent to Last Name's last known address of record with the Agency (1126 Marine Drive, Astoria, Oregon 97103). The *Notice of Intent* was also mailed to Fabrique by regular first-class mail to the above address in a handwritten envelope. And *The Notice of Intent* was emailed to Fabrique at her email address of record.

1.2 The email was not returned as undeliverable.

1.3 Neither the certified mailings nor the first-class mailings have been returned to the Agency. Over twenty days (20 days) have elapsed since the mailing of the notice issued in this matter and no written request for hearing has been received by the Agency.

2.

Based upon the foregoing, and upon the Agency's investigation reports, documents and files that, pursuant to Section 9 of the *Notice of Intent*, automatically become part of the evidentiary record of this disciplinary action upon default (for the purpose of proving a prima facie case (ORS 183.417(4), the Real Estate Commissioner finds:

2.1 A notice of intent is properly served when deposited in the United States mail, registered or certified mail, and addressed to the real estate licensee at the licensee's last

known address of record with OREA. (ORS 183.415(2); OAR 137-003-0505; OAR 863-001-0006. If correctly addressed, such a notice is effective even though it is not received by the person to be notified. *Stroh v. SAIF*, 261 OR 117, 492 P2d 472 (1972) (footnote 3 in this case misquotes the cited treatise and contradicts the text of the opinion; treatise and cited case law support the proposition stated in the text.) Also, notice is effective even though the addressee fails or refuses to respond to a postal service “mail arrival notice” that indicates that certified or registered mail is being held at the post office. See *State v. DeMello*, 300 Or App 590, 716 P2d 732 (1986) (discussing use of certified mail to effectuate notice of driver’s license suspension under ORS 482.570). See also *El Rio Nilo, LLC v. OLCC*, 240 Or App 362, 246 P3d 508 (2011) (Notice by certified mail effective even though addressee did not pick up in time to file request for hearing timely).(Oregon Attorney General’s Administrative Law Manual and Uniform Model Rules Of Procedure Under the Administrative Procedures 2019 Edition at pages 97-98.

2.2 Fabrique’s last known address of record with the Agency was 1126 Marine Drive, Astoria, Oregon 97103.

2.3 A certified mailing of the *Notice of Intent* was mailed to Fabrique at her last known address of record on June 5, 2025. The certified mailing of the notice has not been returned to the Agency.

2.4 The notice was also mailed regular first-class mail in a handwritten envelope to the above address for Fabrique. The mailing in the handwritten envelope has not been returned to OREA. The OAH Rules contain a rebuttable presumption that documents sent by regular mail are received by the addressee. ORS 137-003-0520(10). If the regularly mailed notice is actually received, it is effective on the date received, rather than the date of mailing.

2.5 Over twenty (20) days have elapsed since the mailing of the notice and no written request for a hearing has been received.

2.6 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.

2.7 As noted in section 9 of the *Notice of Intent to Revoke License No. PM.201239101 and to Assess a Civil Penalty*, and section 2 above, the Agency's entire investigation file was designated as the record for purposes of presenting a prima facie case upon default, including submissions from Fabrique and all information in the administrative file relating to the mailing of notices and any responses received.

FINDINGS OF FACT

3.

3.1 Fabrique was licensed as a property manager with Nest Property Management in September 2022. Fabrique failed to renew her registered business license by the deadline of March 31, 2025, thereby her property manager license became inactive on May 2, 2025.

3.2 A review of the website for Nest Property Management references Fabrique as the only individual associated with that business conducting professional real estate activity. As of June 4, 2025, the website About Us page advertises the following: "Nest is all-in when it comes to managing or renting you a property." Additionally, the website advertises, "Whether your needs are residential, commercial, or vacation rentals, let Nest guide you home."

3.3 On January 10, 2025, Nest Property Management was notified that clients' trust account ending in 8192 (CTA #8192), which holds owner funds, had been selected for reconciliation review. CTA #8192 was the only CTA registered with the Agency for Nest Property Management. The CTA monthly reconciliation documents for November 2024 were requested.

3.4 Within 10 business days, Fabrique was asked to submit the following reconciliation documents for CTA #8192 to the Agency:

- Trust account reconciliation
- Bank statement
- Receipts and disbursements journal or check register

- List of outstanding checks, withdrawals, transfers, and deposits
- List of ledger balances
- Copy of the “Notice of Clients’ Trust Account and Authorization to Examine” form.

3.5 On January 21, 2025, the Agency received a complaint from property owner Kim Gonzales (Gonzales) against Fabrique. Gonzales alleged that in 2024, she did not receive disbursements for two months. Gonzales wrote that when she contacted Fabrique about this, Fabrique attempted to resolve but made errors which led to a check being returned due to insufficient funds. Gonzales hired a bookkeeper who discovered multiple late fees and returned payment fees from vendors. Gonzales further explained that the late fees were then charged to her.

3.6 Gonzales terminated her Property Management Agreement (PMA) with Nest Property Management on January 17, 2025. Gonzales wrote that Fabrique was holding \$23,600.00 in security deposit funds and \$16,700.00 in rent, in addition to reserve funds for each property.

3.7 The Agency received owner statements from Gonzales which showed owner disbursements for three properties dated November 22, 2024. The disbursements were identified as payments for September and October 2024, in the amount \$6,921.26, \$12,464.66, and \$2,472.06, for a total of \$21,857.98 issued with check #1002. Check #1002 was returned for insufficient funds.

3.8 On January 29, 2025, Fabrique provided a response to the Agency regarding the complaint received. Fabrique wrote, “The properties belonging to the owner require upwards of \$1,000 of reserves to be held monthly due to the bill cycle of all of her properties (two 4-plexes, one duplex), but we only held \$500 per property. Nest PM was responsible for paying bills throughout the distribution cycle and this left us without funds to pay until funds were replenished from the new rent cycle. Her typical pay date was the 25th (+/- 3 days) and besides the months of October and November of 2024, this was always completed unless otherwise discussed with her. The error that occurred between October and November was due to software that we have used for the last 12+ months (Appfolio) not accurately pulling her draw amounts and it was never fixed. As

soon as this was realized, Nest fixed the issue and unfortunately an NSF check came back to us, as it was a check that was issued from Nest's corporate account and not our Operating Client Trust account..." The Agency opened an investigation.

3.9 On February 7, 2025, because the Agency did not receive the November 2024 monthly CTA reconciliation documents, Agency Compliance Specialist Helen Wilson sent a follow-up email to Fabrique regarding the request. Wilson then requested the documents be submitted to the Agency by February 14, 2025. The Agency did not receive a response from Fabrique.

3.10 On February 18, 2025, Wilson sent a follow up email to Fabrique and a demand for records. The Agency did not receive a response from Fabrique.

3.11 On February 19, 2025, Agency Investigator Cidia Nañez (Nañez) sent an email to Fabrique inquiring why she had not responded to the Agency's request for documentation. Nañez followed up with Fabrique via text message on February 25, 2025, requesting Fabrique respond, as the Agency had made several attempts to contact her that had gone unanswered. Nañez did not receive a response from Fabrique.

3.12 On March 21, 2025, the Agency attempted to deliver a subpoena to Fabrique, but service was unsuccessful. Agency Investigator Aaron Grimes (Grimes) left a voicemail for Fabrique on the phone number registered with the Agency requesting a call back. No response was received from Fabrique.

3.13 On March 31, 2025, the Agency received a complaint from property owner Melva Murphy (Murphy) against Fabrique. Murphy alleged that Fabrique had been late disbursing funds for several months and owner payments for December 2024 and March 2025 had been returned due to insufficient funds.

3.14 In her complaint, Murphy wrote that she submitted a 10-day notice of termination on January 8, 2025. Murphy further explained that they spoke with Fabrique on January 9, 2025, and was told that all future checks would be deposited on the 10th of each month.

3.15 In March 2025, Murphy contacted Fabrique regarding a payment that was nine days late. The check in the amount of \$5,616.00 had been returned for insufficient funds.

3.16 On April 1, 2025, the Agency emailed Fabrique requesting a response to this complaint. The Agency followed up on April 8, 2025. No response was received from Fabrique. The Agency opened a second investigation.

3.17 On April 4, 2025, due to the failure to respond to the Agency's reconciliation review the Agency opened a third investigation for Fabrique's failure to respond to the Agency and provide clients' trust account reconciliation records, as required.

3.18 On April 14, 2025, Grimes interviewed former property owners Jennifer and Jeff Canessa (the Canessas), whose property was managed by Fabrique. The Canessas provided Grimes with bank records, including copies of a check payment from Fabrique that could not be deposited due to insufficient funds.

3.19 A check in the amount of \$45,289.20 was returned due to insufficient funds on August 21, 2024, and the property owners were charged a 'NSF Fee.'

3.20 On April 30, 2025, the Agency received a complaint from Kelly Wright SR (Wright), the guardian of a property owner. The complaint alleged that they did not receive a disbursement by the due date in March 2025. Wright wrote that they called Fabrique and left a voicemail. The payment in the amount of \$1,724.25 was deposited on March 31, 2025. On April 8, 2025, the funds were removed from the owner's account for insufficient funds.

3.21 Wright wrote that they had not yet received their April 2025 distribution, and Fabrique had not responded to texts, phone calls, or emails for a couple of months.

3.22 On May 1, 2025, the Agency emailed Fabrique requesting a response to this complaint. The Agency followed up on May 8, 2025. No response was received from Fabrique. The Agency opened a fourth investigation.

3.23 On May 5, 2025, Agency Investigator Aaron Grimes sent an email to Fabrique requesting the following records:

- Bank records, including backing ledgers of funds managed for Gonzales and backing ledgers of security deposits managed for tenants of Gonzales, from the beginning of 2024 until the current month (or until you ceased managing the property and transferred funds).
- Bank records, including backing ledgers of funds managed for Murphy and backing ledgers of security deposits managed for tenants of Murphy, from the

beginning of 2024 until the current month (or until you ceased managing the property and transferred funds).

- Bank records for all bank accounts not previously disclosed to the Agency.

3.24 Grimes gave Fabrique a May 6, 2025, deadline for submitting the requested records.

3.25 The Agency neither received a response from Fabrique nor received the requested records.

3.26 On May 15, 2025, the Agency received a complaint from property owner Vanessa Alleruzzo (Alleruzzo) regarding Fabrique. Alleruzzo wrote that Fabrique owes them \$10,080.00 from rent collected from property they own.

3.27 On May 16, 2025, the Agency emailed Fabrique requesting a response to this complaint. No response was received from Fabrique. The Agency opened a fifth investigation.

3.28 Real estate licensees are required to maintain and produce records to the Agency. Fabrique's failure to produce records that she is required to maintain and provide to the Agency when requested demonstrates incompetence in Fabrique's performance of professional real estate activity.

(1) Violation: Fabrique failed to renew her registered business name with the Agency, causing her property manager license to become inactive. The website for Nest Property Management references Fabrique as the sole licensee associated with the business as of June 4, 2025, and advertises services for residential property management, in violation of ORS 696.301(3) as it incorporates ORS 696.020(2) 2023 Edition, which states: (2) an individual may not engage in, carry on, advertise or purport to engage in or carry on professional real estate activity, or act in the capacity of a real estate licensee, within this state unless the individual holds an active license as provided for in this chapter.

A licensee who engages in professional real estate activity after the licensee has failed to renew a license is subject to civil penalty per ORS 696.990(4)(a)(b)(9) 2023 Edition, which states: (4) any person that violates ORS 696.020 (2) 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 unlicensed professional real estate activity; and (b) Not less than \$2,500 nor

more than \$5,000 for the second and subsequent offenses of unlicensed professional real estate activity; (9) for the purposes of subsection (4) of this section, any violation of ORS 696.020 (2) that results from a failure of a real estate licensee to renew a license within the time allowed by law constitutes a single offense of unlicensed professional real estate activity for each 30-day period after expiration of the license during which the individual engages in professional real estate activity. A civil penalty imposed for a violation of ORS 696.020 (2) that results from a failure of a real estate licensee to renew a license within the time allowed by law is not subject to the minimum dollar amounts specified in subsection (4) of this section.

(2) Violation: By disbursing funds from a clients' trust account when there was not sufficient funds to do so, Fabrique violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(3) 1/1/2024 Edition, which states: (3) a property manager must not disburse funds from a clients' trust account or security deposits account unless there are sufficient funds, as defined in OAR 863-025-0010, in the ledger account against which the disbursement is made.

(3) Violation: Fabrique repeatedly issued checks to property owners which were returned due to insufficient funds. This is grounds for discipline under ORS 696.301(14) 2023 Edition, which states a licensee's real estate license may be disciplined who has (14) committed an act of fraud or engaged in dishonest conduct substantially related to the fitness of the applicant or real estate licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity.

(4) Violation: By failing to provide property management records, as requested by the Agency, Fabrique violated ORS 696.301(3) as it incorporates ORS 696.280(3)(4)(c)(d) 2023 Edition, which states: (3) records maintained under this section must at all times be open for inspection by the Real Estate Commissioner or the commissioner's authorized representatives; (4) except as provided in subsection (2) of this section, records under this section must be maintained by the real estate licensee for a period of not less than six years after the following date: (c) for management of rental real estate, the date on which the record expired, was superseded or terminated, or otherwise ceased to be in effect; and (d) for all other records, the date the record was created or received, whichever is later.

In addition, Fabrique violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(b)(c) 1/1/2025 Edition, which states: (2) a property manager must produce records required under section (1) of this rule for inspection by the Agency as follows: (a) when the Agency makes a request for production of property management records, the property manager must provide such records within no less than five banking days; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to produce such records within the timelines stated in subsection (a) or (b) of this section is a violation of ORS 696.301.

Fabrique is subject to civil penalty under ORS 696.990(6)(a)(b) 2023 Edition, which states: (6)(a) except as provided in paragraph (b) of this subsection, a real estate licensee who is a real estate property manager or principal real estate broker and who is engaging in or who has engaged in the management of rental real estate may be required to forfeit and pay to the General Fund of the State Treasury a civil penalty of up to \$1,000 per day of violation, or a lesser penalty in an amount determined by the commissioner, if the licensee fails to comply with rules that require the licensee to produce for inspection records related to the management of rental real estate that are maintained by the licensee as provided by ORS 696.280; (b) a civil penalty imposed under this subsection may not exceed \$10,000.

3.29 A review of the records provided by the Canessas showed funds were disbursed from an account not registered with the Agency.

3.30 A review of the Agency's online licensing database shows that Fabrique has one registered clients' trust account. A clients' trust account holding security deposits has not been disclosed to the Agency.

(5) Violation: By failing to open and maintain a clients trust account – security deposit account, Fabrique violated ORS 696.301(3) as it incorporates ORS 696.245(2)(a)(b)(c)(d)(e) 2023 Edition, which states: (2) within 10 business days from the date a clients' trust account is opened, a licensed real estate property manager or principal real estate broker shall notify the Real Estate Agency that the account has been opened. The notice must include information about the clients' trust account, including but not limited to: (a) the name of the bank where the

account is located; (b) the account number; (c) the name of the account; (d) the date the account was opened; and (e) an acknowledged copy of the notice described in subsection (1) of this section.

In addition, Fabrique violated ORS 696.301(3) and its implementing rule OAR 863-025-0025(3)(6) 1/1/2025 Edition, which states: (3) within 10 business days from the date a clients' trust account is opened, the property manager must notify the Agency using an online process established by the Agency. The notification will include the information required in ORS 696.245, including a copy of the completed and signed "Notice of Clients' Trust Account and Authorization to Examine"; (6) except as provided in OAR 863-025-0065, a property manager who receives security deposits on behalf of an owner must open and maintain a security deposits account, as defined in OAR 863-025-0010, that is separate from the property manager's clients' trust account.

3.31 On May 12, 2025, Agency Case Resolution Coordinator Amanda Moser emailed the current property manager for Gonzales, Christina Sowins (Sowins), inquiring if all obligated funds (owner funds and tenant security deposit funds) had been disbursed from Nest Property Management to Sowins Property Management. Gonzales terminated their property management agreement with Nest Property Management on January 17, 2025.

3.32 Sowins responded to the email writing, "No. To our knowledge, Ms. Gonzalez has only received \$14,100 out of \$24,100 of her security and pet deposits, which were transferred directly to her. That leaves at least \$10,000 outstanding in security deposits."

(6) Violation: By failing to disburse funds upon termination of a property management agreement within 60 days, Fabrique violated ORS 696.301(3) and its implementing rule OAR 863-025-0070(2))a)(b)(A)(B)(C)(D) 1/1/2025 Edition, which states: (2) not later than 60 days after the effective date of the termination, the property manager must: (a) Disburse all obligated funds to the party or parties entitled to the funds; (b) Provide the owner with the following: (A) A final accounting of the owner's ledger account; (B) All funds belonging to the owner as shown on the owner's ledger, unless the owner directs the property manager, in writing, to transfer the funds to another property manager, escrow agent or person; (C) An accounting of all security deposits and fees held for tenants; and (D) All tenant security deposits and fees held for tenants, unless the owner directs the property manager, in writing,

to transfer the security deposits and fees to another property manager, escrow agent or person.

3.33 All of the above demonstrates incompetence and 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.

(7) Violation: Based on the foregoing, Fabrique is subject to discipline under ORS 696.301(12)(15) (2023 Edition), which states a licensee's real estate license may be disciplined who has: (12) demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; and (15) engaged in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

STATEMENT OF LAW APPLICABLE TO FINDINGS OF FACT

4.

4.1 ORS 696.301(1) to (15) sets out the grounds of discipline for which the Real Estate Commissioner may suspend, revoke, reprimand or deny the issuance or renewal of a license to an applicant. ORS 696.301(3), (12),(14) and (15) provides that the Commissioner may revoke a licensee's real estate license if they have: (3) disregarded or violated any provision of ORS 659A.421, 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.890 or any rule of the Real Estate Agency; (12) have demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; (14) committed an act of fraud or engaged in dishonest conduct substantially related to the fitness of the applicant or real estate licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity; and (15) engaged in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

4.2 ORS 696.396(2)(c)(B) and (C). According to ORS 696.396(2)(c)(B) and (C) the Real Estate Commissioner may revoke a real estate license if material facts establish a violation of a ground of discipline under ORS 696.301 that: (B) exhibits incompetence in the performance of professional real estate activity; or (C) exhibits dishonesty or fraudulent conduct.

4.3 OAR 863-027-0020(1) defines the goal of progressive discipline and OAR 863-027-0020(2) sets out all factors the Real Estate Commissioner will consider when determining the level of discipline for licensees.

4.4 ORS 696.020(2) 2023 Edition states an individual may not engage in, carry on, advertise or purport to engage in or carry on professional real estate activity, or act in the capacity of a real estate licensee, within this state unless the individual holds an active license as provided for in this chapter.

4.5 According to ORS 696.990(4)(a)(b) and (9) 2023 Edition, any person that violates ORS 696.020(2) 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 \$1,000.00 nor more than \$2,500.00 for the first offense of unlicensed professional real estate activity; and (b) not less than \$2,500.00 nor more than \$5,000.00 for the second and subsequent offenses of unlicensed professional real estate activity; (9) for the purposes of subsection (4) of this section, any violation of ORS 696.020 (2) that results from a failure of a real estate licensee to renew a license within the time allowed by law constitutes a single offense of unlicensed professional real estate activity for each 30-day period after expiration of the license during which the individual engages in professional real estate activity. A civil penalty imposed for a violation of ORS 696.020 (2) that results from a failure of a real estate licensee to renew a license within the time allowed by law is not subject to the minimum dollar amounts specified in subsection (4) of this section.

4.6 ORS 696.990(6)(a) states a real estate licensee who is a real estate property manager or principal real estate broker and who is engaging in or who has engaged in the management of rental real estate may be required to forfeit and pay to the General Fund of the State Treasury a civil penalty of up to \$1,000.00 per day of violation, or a lesser penalty in an amount determined by the commissioner if the licensee fails to comply with rules that require

the licensee to produce for inspection records related to the management of rental real estate that are maintained by the licensee as provided by ORS 696.280. ORS 696.990(6)(b) states a civil penalty imposed under this subsection may not exceed \$10,000.00.

4.7 In establishing the violations alleged above, the Agency may rely on one or more definitions contained in ORS 696.010.

4.8 And, in accordance with 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.

ULTIMATE FINDINGS OF FACT

5.

5.1 Fabrique's license became inactive on May 2, 2025. The website for Nest Property Management references Fabrique as the only individual associated with that business conducting professional real estate activity. As of June 4, 2025, the website advertises services for residential property management.

5.2 Fabrique failed to provide property management records, as requested by the Agency.

5.3 Fabrique failed to register clients' trust accounts with the Agency.

5.4 Fabrique failed to distribute obligated funds after the termination of a property management agreement.

5.5 Fabrique disbursed funds from a clients' trust account which had insufficient funds, resulting in a NSF fee.

5.6 Fabrique's complete failure to produce the records constitutes grounds to impose a civil penalty in an amount up to \$10,000.00 as per ORS 696.990(6)(a) and (b).

5.7 The facts above establish grounds to impose a civil penalty in an amount up to \$1,000.00 as per ORS 696.990(4)(a)(b)(9).

5.8 In summary, the facts above establish grounds to revoke Fabrique's property manager license and impose a civil penalty in an amount up to \$11,000.00.

CONCLUSIONS OF LAW

6.

6.1 Pursuant to ORS 183.417(4) and OAR 137-003-0670 Fabrique is in default.

6.2 The material facts establish a violation of a ground for discipline, by preponderance of the evidence, under ORS 696.301 as set forth in the *Notice of Intent to Revoke License No. PM.201239101 and to Assess a Civil Penalty* and ORS 696.396(2)(c)(B) and (C).

6.3 Based on these violations, the Agency may revoke Fabrique's property manager license.

6.4 Specifically, Fabrique is subject to discipline pursuant to ORS 696.301(3), (12), (14), and (15) for (3) disregarding or violating any provision of ORS 659A.421, 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.890 or any rule of the Real Estate Agency; (12) demonstrating incompetence or untrustworthiness in performing any act for which the licensee is required to hold a license; (14) committing an act of fraud or engaging in dishonest conduct substantially related to the fitness of the applicant or real estate licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity; and (15) engaging in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

6.5 A revocation of Fabrique's property manager license is appropriate for violations of ORS 696.301(3), (12), (14), and (15).

6.6 A revocation of Fabrique's property manager license is appropriate under ORS 696.396(2)(c)(B) and (C). According to ORS 696.396(2)(c)(B) and (C) the Agency may suspend a real estate license if the material facts establish a violation of a ground of discipline

under ORS 696.301 that (B) exhibits incompetence in the performance of professional real estate activity; and (C) exhibits dishonesty or fraudulent conduct.

6.7 Based on the evidence in the record, the preponderance of the evidence supports the revocation of Fabrique's property manager license.

6.8 The Agency may therefore revoke Fabrique's property manager license.

6.9 Pursuant to ORS 696.775 the expiration/lapsing of Fabrique's license does not prohibit the Commissioner from proceeding with this, or further action.

6.10 The specific violations are repeated here below:

(1) Violation: Fabrique failed to renew her registered business name with the Agency, causing her property manager license to become inactive. The website for Nest Property Management references Fabrique as the sole licensee associated with the business as of June 4, 2025, and advertises services for residential property management, in violation of ORS 696.301(3) as it incorporates ORS 696.020(2) 2023 Edition, which states: (2) an individual may not engage in, carry on, advertise or purport to engage in or carry on professional real estate activity, or act in the capacity of a real estate licensee, within this state unless the individual holds an active license as provided for in this chapter.

A licensee who engages in professional real estate activity after the licensee has failed to renew a license is subject to civil penalty per ORS 696.990(4)(a)(b)(9) 2023 Edition, which states: (4) any person that violates ORS 696.020 (2) 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 unlicensed professional real estate activity; and (b) Not less than \$2,500 nor more than \$5,000 for the second and subsequent offenses of unlicensed professional real estate activity; (9) for the purposes of subsection (4) of this section, any violation of ORS 696.020 (2) that results from a failure of a real estate licensee to renew a license within the time allowed by law constitutes a single offense of unlicensed professional real estate activity for each 30-day period after expiration of the license during which the individual engages in professional real estate activity. A civil penalty imposed for a violation of ORS 696.020 (2) that results from a failure of a real estate licensee to renew a license within the time allowed by law is not subject to the minimum dollar amounts specified in subsection (4) of this section.

(2) Violation: By disbursing funds from a clients' trust account when there was not sufficient funds to do so, Fabrique violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(3) 1/1/2024 Edition, which states: (3) a property manager must not disburse funds from a clients' trust account or security deposits account unless there are sufficient funds, as defined in OAR 863-025-0010, in the ledger account against which the disbursement is made.

(3) Violation: Fabrique repeatedly issued checks to property owners which were returned due to insufficient funds. This is grounds for discipline under ORS 696.301(14) 2023 Edition, which states a licensee's real estate license may be disciplined who has (14) committed an act of fraud or engaged in dishonest conduct substantially related to the fitness of the applicant or real estate licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity.

(4) Violation: By failing to provide property management records, as requested by the Agency, Fabrique violated ORS 696.301(3) as it incorporates ORS 696.280(3)(4)(c)(d) 2023 Edition, which states: (3) records maintained under this section must at all times be open for inspection by the Real Estate Commissioner or the commissioner's authorized representatives; (4) except as provided in subsection (2) of this section, records under this section must be maintained by the real estate licensee for a period of not less than six years after the following date: (c) for management of rental real estate, the date on which the record expired, was superseded or terminated, or otherwise ceased to be in effect; and (d) for all other records, the date the record was created or received, whichever is later.

In addition, Fabrique violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(b)(c) 1/1/2025 Edition, which states: (2) a property manager must produce records required under section (1) of this rule for inspection by the Agency as follows: (a) when the Agency makes a request for production of property management records, the property manager must provide such records within no less than five banking days; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to

produce such records within the timelines stated in subsection (a) or (b) of this section is a violation of ORS 696.301.

Fabrique is subject to civil penalty under ORS 696.990(6)(a)(b) 2023 Edition, which states: (6)(a) except as provided in paragraph (b) of this subsection, a real estate licensee who is a real estate property manager or principal real estate broker and who is engaging in or who has engaged in the management of rental real estate may be required to forfeit and pay to the General Fund of the State Treasury a civil penalty of up to \$1,000 per day of violation, or a lesser penalty in an amount determined by the commissioner, if the licensee fails to comply with rules that require the licensee to produce for inspection records related to the management of rental real estate that are maintained by the licensee as provided by ORS 696.280; (b) a civil penalty imposed under this subsection may not exceed \$10,000.

(5) Violation: By failing to open and maintain a clients trust account – security deposit account, Fabrique violated ORS 696.301(3) as it incorporates ORS 696.245(2)(a)(b)(c)(d)(e) 2023 Edition, which states: (2) within 10 business days from the date a clients’ trust account is opened, a licensed real estate property manager or principal real estate broker shall notify the Real Estate Agency that the account has been opened. The notice must include information about the clients’ trust account, including but not limited to: (a) the name of the bank where the account is located; (b) the account number; (c) the name of the account; (d) the date the account was opened; and (e) an acknowledged copy of the notice described in subsection (1) of this section.

In addition, Fabrique violated ORS 696.301(3) and its implementing rule OAR 863-025-0025(3)(6) 1/1/2025 Edition, which states: (3) within 10 business days from the date a clients’ trust account is opened, the property manager must notify the Agency using an online process established by the Agency. The notification will include the information required in ORS 696.245, including a copy of the completed and signed “Notice of Clients’ Trust Account and Authorization to Examine”; (6) except as provided in OAR 863-025-0065, a property manager who receives security deposits on behalf of an owner must open and maintain a security deposits account, as defined in OAR 863-025-0010, that is separate from the property manager's clients' trust account.

(6) Violation: By failing to disburse funds upon termination of a property management agreement within 60 days, Fabrique violated ORS 696.301(3) and its implementing rule OAR 863-025-0070(2))a)(b)(A)(B)(C)(D) 1/1/2025 Edition, which states: (2) not later than 60 days after the effective date of the termination, the property manager must: (a) Disburse all obligated funds to the party or parties entitled to the funds; (b) Provide the owner with the following: (A) A final accounting of the owner's ledger account; (B) All funds belonging to the owner as shown on the owner's ledger, unless the owner directs the property manager, in writing, to transfer the funds to another property manager, escrow agent or person; (C) An accounting of all security deposits and fees held for tenants; and (D) All tenant security deposits and fees held for tenants, unless the owner directs the property manager, in writing, to transfer the security deposits and fees to another property manager, escrow agent or person.

(7) Violation: Based on the foregoing, Fabrique is subject to discipline under ORS 696.301(12)(15) (2023 Edition), which states a licensee's real estate license may be disciplined who has: (12) demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; and (15) engaged in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

6.11 Revocation of Fabrique's property manager license is appropriate under ORS 696.396(2)(c)(B) and (C).

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ORDER

IT IS HEREBY ORDERED that Fabrique's property manager license is revoked.

IT IS FURTHER ORDERED that, pursuant to ORS 696.990(4)(a)(b)(9) and ORS 696.990(6)(a)(b) and based upon the violations set forth above, Fabrique pay a civil penalty of \$11,000.00, said penalty to be paid to the General Fund of the State Treasury by paying the same to OREA.

Dated this 8th day of July, 2025.

OREGON REAL ESTATE AGENCY

Signed by:
Steve Strobe
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Steven Strobe
Real Estate Commissioner

NOTICE OF RIGHT TO APPEAL: You are entitled to judicial review of this Order. Judicial review may be obtained by filing a petition for review within 60 days from the date of service of this order. Judicial review is to the Oregon Court of Appeals, pursuant to the provisions of ORS 183.482.

-REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of
CHRISTOPHER T FISHER
STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Fisher was licensed as a real estate broker associated with C&I Perfect Homes Realty, LLC.

1.2 On August 1, 2024, the Agency received a complaint from Marquita Causey (Causey) against Fisher and Ian Griffin (Griffin). Causey wrote in her complaint that Fisher and Griffin, both with Green Northwest Real Estate Investments, LLC (GNWRE) misrepresented themselves as knowledgeable real estate professionals to defraud multiple parties. The Agency opened an investigation.

1.3 Causey wrote in her complaint that Macon Valley Capital, LLC (Macon Valley) entered into a Joint Venture Agreement with GNWRE to rehabilitate and sell property located at 8833 Liberty Road in Salem, Oregon (Liberty Property).

1.4 Causey wrote that in November 2023, she offered to wholesale the property. Causey learned GNWRE were delinquent on the lender's note when she requested the lender payoff.

1 1.5 In his response to the complaint, Fisher wrote to the Agency that GNWRE "...is a
2 private company with the purpose of buying and selling distressed properties, rehabbing them
3 and then making a profit from the profit's yielded by the 'flip...'"

4 1.6 In addition, Fisher wrote, "...we were transparent with Marquita Causey and her
5 company up front, we did inform her that we were real estate agents and I had formed this
6 company before I was licensed, and the numbers were just based on the CMA at the current
7 moment and we did not foresee the real estate market dropping or the interest rates going up
8 in the future."

9 1.7 Causey provided the Agency with a March 13, 2023, email she received from
10 Fisher regarding investing in the Liberty property. In the email, Fisher wrote "I have also
11 included the profile of the property from the title company including 3 properties as comps...My
12 business partner and I are professional Realtors/Brokers in Oregon, and we believe we can list
13 this place for \$1.5 million after rehabbing."

14 1.8 A review of the "comps" provided by Fisher to Causey shows that they did not
15 meet the requirements of a Competitive Market Analysis (CMA), because they lack some of
16 the requirements of a CMA such as a statement of purpose or intent, the basis for value, and
17 the signature and date it was prepared by the licensee.

18 1.9 In the email, Fisher also wrote to Causey that they had \$550,000.00 but needed
19 \$100,000.00 to rehabilitate the property. Fisher explained that they thought they could return
20 the principal plus 30 percent of the profits within six months.

21 **(1) Conclusion of Law:** By advertising a guarantee of future profits from real estate
22 activity, Fisher violated ORS 696.301(3) and its implementing rule OAR 863-015-0125(6)
23 1/1/2023 Edition.

24 **(2) Conclusion of Law:** By providing a competitive market analysis to Causey which
25 lacked the requirements as defined by Oregon Administrative Rule, Fisher violated ORS
26 696.301(3) and its implementing rule OAR 863-015-0190(3)(a)(b)(c)(d)(e)(f)(g)(h) 1/1/2023
27 Edition.

28 1.10 A review of the Joint Venture Agreement included the statement, "In securing
29 financing for a Joint Venture from Macon Valley Capital LLC, Green Northwest Real Estate
30

1 Investments, LLC have attached a Promissory Note and a Trust Deed by the property located
2 at: 175 Candalaria Blvd SE, Salem, OR...”

3 1.11 Text messages provided to the Agency showed that between April 2023 and
4 September 2023, Fisher sent Causey status updates and progress photos on the Liberty
5 property rehabilitation.

6 1.12 Causey wrote to the Agency that she sent an associate to the Liberty property on
7 September 14, 2023, and the photos taken that day showed progress on the property was
8 different than what had been conveyed by Fisher.

9 1.13 In November 2023, Causey offered to try and wholesale the Liberty property.
10 Causey had Fisher and Griffin sign an agreement to pay her a \$20,000.00 wholesale fee.
11 Causey learned GNWRE were delinquent on the lender’s note when she requested the lender
12 payoff.

13 1.14 In an interview with Agency Investigator Cidia Nañez (Nañez), Causey explained
14 that when she had Fisher and Griffin sign the wholesale agreement, she found out they had
15 other investors to whom they had signed over property rights. Causey explained that when the
16 properties are auctioned off, they will have to go in order of the filings by the investors.

17 1.15 A search of Marion County property records showed a Trust Deed for the
18 Candalaria property was recorded with the four parties listed as the beneficiary.

19 1.16 A search of Oregon eCourt Case Information (OECI) showed that Macon Valley
20 Capital filed a claim against GNWRE, Fisher, and Griffin on July 25, 2024. An Order of Default
21 was issued on September 23, 2024, for failing to provide a response to the complaint. On that
22 same day, a judge adjudicated the case finding that Macon Valley Capital was entitled to a
23 judgement against GNWRE and Fisher in the sum of \$340,000.00, plus interest, attorney fees,
24 costs and disbursements.

25 1.17 Fisher did not report the adverse judgement to the Agency.

26 **(3) Conclusion of Law:** Fisher failed to inform a party they were not the only entity
27 secured by a promissory note and trust deed for the Candalaria property. This is Grounds for
28 Discipline under ORS 696.301(3) as it incorporates ORS 696.301(14) 2023 Edition.

(4) Conclusion of Law: By failing to report an adverse judgement to the Agency within 20 days, as required, Fisher violated ORS 696.301(3) and its implementing rule OAR 863-015-0175(1)(b)(c)(3)(4) 1/1/2023 Edition.

1.18 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.

(5) Conclusion of Law: Based on the foregoing, Licensee is subject to discipline under ORS 696.301(12) and (15) (2023 Edition)

2.

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

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

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

3.

STIPULATION AND WAIVER

I, Christopher Fisher, 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 Christopher Fisher's broker license be, and hereby is reprimanded.

IT IS SO STIPULATED:

IT IS SO ORDERED:

DocuSigned by:

Christopher T Fisher

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CHRISTOPHER T FISHER

Date 5/24/2025 | 5:26 AM PDT

Signed by:

Steve Strode

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STEVEN STRODE

Real Estate Commissioner

Date 5/28/2025 | 9:53 AM PDT

Date of Service: 5/28/25



REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of
IAN GRIFFIN

} STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Griffin was licensed as a principal broker associated with C&I Perfect Homes Realty, LLC (C&I).

1.2 On August 1, 2024, the Agency received a complaint from Marquita Causey (Causey) against Griffin and Christopher Fisher (Fisher). Causey wrote in her complaint that Griffin and Fisher, both with Green Northwest Real Estate Investments, LLC (GNWRE) misrepresented themselves as knowledgeable real estate professionals to defraud multiple parties. The Agency opened an investigation.

1.3 Causey wrote in her complaint that Macon Valley Capital, LLC (Macon Valley) entered into a Joint Venture Agreement with GNWRE to rehabilitate and sell property located at 8833 Liberty Road in Salem, Oregon (Liberty Property).

1.4 Causey wrote that in November 2023, she offered to wholesale the property. Causey learned GNWRE were delinquent on the lender's note when she requested the lender payoff.

1.5 In his response to the Agency, Griffin explained that he was the sole principal broker and co-owned C&I with Fisher.

1.6 A review of the Oregon Secretary of State records showed C&I was registered on March 9, 2022, and dissolved on May 9, 2024.

(1) Conclusion of Law: By failing to maintain an active business registry with the Oregon Secretary of State, Griffin violated ORS 696.301(3) and its implementing rule OAR 863-015-0095(1) 1/1/2024, 1/1/2025 Editions.

1.7 Griffin explained he co-owned GNWRE with Fisher, and that GNWRE was “a private non-broker company in which Mr. Fisher was the president of, with the primary focus being the purchase of distressed properties, rehabbing them and subsequently selling them or ‘flipping’ them for profit.”

1.8 Causey provided the Agency with a March 13, 2023, email she received from Fisher regarding investing in the Liberty property. In the email, Fisher wrote “I have also included the profile of the property from the title company including 3 properties as comps...My business partner and I are professional Realtors/Brokers in Oregon, and we believe we can list this place for \$1.5 million after rehabbing.”

1.9 A review of the “comps” provided by Fisher to Causey shows that they did not meet the requirements of a Competitive Market Analysis (CMA), because they lack some of the requirements of a CMA such as a statement of purpose or intent, the basis for value, and the signature and date it was prepared by the licensee.

1.10 In the email, Fisher also wrote to Causey that they had \$550,000.00 but needed \$100,000.00 to rehabilitate the property. Fisher explained that they thought they could return the principal plus 30 percent of the profits within six months.

(2) Conclusion of Law: A licensee under the supervision of Griffin provided a competitive market analysis which failed to meet the requirements as defined by Oregon Administrative Rule, in violation of ORS 696.301(3) and its implementing rule OAR 863-015-0190(3)(a)(b)(c)(d)(e)(f) 1/1/2023 Edition.

(3) Conclusion of Law: A licensee under the supervision of Griffin communicated an assurance of profit from a real estate transaction, in violation of ORS 696.301(3) and its implementing rule OAR 863-015-0125(6) 1/1/2023 Edition.

1 1.11 Griffin provided the Agency with the Residential Real Estate Sale Agreement
2 (RESA) for the Liberty Property, dated February 12, 2023, along with a copy of Addendum A.

3 1.12 A review of Addendum A, which was dated February 23, 2023, included the
4 statement that GNWRE was owned by brokers Fisher and Griffin.

5 1.13 Agency Investigator Cidia Nañez (Nañez) emailed Griffin requesting that he send
6 a screenshot of the activity for the RESA DocuSign Envelope ID, as text in Addendum A
7 appeared to have been added. The text, which is included in different font on the addendum, is
8 the statement that the buyer, GNWRE is owned by brokers Fisher and Griffin.

9 **(4) Conclusion of Law:** By failing to identify himself as a licensee principle to the
10 transaction in writing on the Residential Real Estate Sale Agreement, Griffin violated ORS
11 696.301(3) and its implementing rule OAR 863-015-0145(1)(b)(2) 1/1/2023 Edition.

12 1.14 Causey wrote to the Agency that she sent an associate to the Liberty property on
13 September 14, 2023, and the photos taken that day showed progress on the property was
14 different than what had been conveyed to her by Fisher.

15 1.15 In November 2023, Causey offered to try and wholesale the Liberty property.
16 Causey had Griffin and Fisher sign an agreement to pay her a \$20,000.00 wholesale fee.
17 Causey learned GNWRE were delinquent on the lender's note when she requested the lender
18 payoff.

19 1.16 In an interview with Nañez, Causey explained that when she had Griffin and
20 Fisher sign the wholesale agreement, she found out they had other investors to whom they
21 had signed over property rights. Causey explained that when the properties are auctioned off,
22 they will have to go in order of the filings by the investors.

23 1.17 A review of the Joint Venture Agreement included the statement, "In securing
24 financing for a Joint Venture from Macon Valley Capital LLC, Green Northwest Real Estate
25 Investments, LLC have attached a Promissory Note and a Trust Deed by the property located
26 at: 175 Candalaria Blvd SE, Salem, OR..."

27 1.18 A search of Marion County property records showed a Trust Deed for the
28 Candalaria property was recorded with the four parties listed as the beneficiary.

29 1.19 A search of Oregon eCourt Case Information (OECI) showed that Macon Valley
30 Capital filed a claim against GNWRE, Fisher, and Griffin on July 25, 2024. An Order of Default

1 was issued on September 23, 2024, for failing to provide a response to the complaint. On that
2 same day, a judge adjudicated the case finding that Macon Valley Capital was entitled to a
3 judgement against GNWRE in the sum of \$340,000.00, plus interest, attorney fees, costs and
4 disbursements.

5 1.20 Griffin did not report the adverse judgement to the Agency.

6 1.21 On February 29, 2024, Griffin renewed his principal broker license. Griffin
7 answered 'No' and the renewal application question that asks "Do you have any unsatisfied
8 judgments or liens against you?"

9 **(5) Conclusion of Law:** By failing to report an adverse judgement to the Agency within 20
10 days, as required, Griffin violated ORS 696.301(3) and its implementing rule OAR 863-015-
11 0175(1)(b)(c)(3)(4) 1/1/2023 Edition.

12 **(6) Conclusion of Law:** Griffin did not report the adverse judgement on his renewal
13 application. This is Grounds for Discipline under ORS 696.301(3) as it incorporates ORS
14 696.301(12) 2023 Edition.

15 1.22 All of the above demonstrates incompetence or untrustworthiness in performing
16 acts for which the real estate licensee is required to hold a license and conduct that is below
17 the standard of care for the practice of professional real estate activity in Oregon.

18 **(7) Conclusion of Law:** Based on the foregoing, Licensee is subject to discipline under
19 ORS 696.301(12) and (15) (2023 Edition)

20
21 2.

22 2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.

23 2.2 The Agency reserves the right to investigate and pursue additional complaints
24 that may be received in the future regarding this licensee.

25 2.3 In establishing the violations alleged above, the Agency may rely on one or more
26 of the definitions contained in ORS 696.010.

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3.

STIPULATION AND WAIVER

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

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

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

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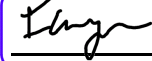
ORDER

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

IT IS SO STIPULATED:

IT IS SO ORDERED:

Signed by:

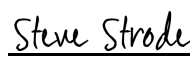


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IAN GRIFFIN

Date 5/28/2025 | 8:54 AM PDT

Signed by:



E2C2D0097AD8471...

STEVEN STRODE

Real Estate Commissioner

Date 5/28/2025 | 9:52 AM PDT

Date of Service: 5/28/25



REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of
BRADLEY WADE HARTSOOK

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}
}
}
}

STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Hartsook was licensed as a property manager acting in the capacity of a sole practitioner and doing business under the registered business name of East Linn Property Management LLC (ELPM).

1.2 On September 6, 2023, ELPM was notified that clients' trust account ending in 0503 (CTA #0503), which holds owner funds, had been selected for reconciliation review. Documents for July 2023 were provided to the Agency. An investigation was opened due to the outstanding issues found in the review.

1.3 During the review, an Agency Compliance Specialist Jenifer Wetherbee (Wetherbee) noted one client trust account, ending in 1025 (CTA #1025) was not labeled correctly.

1.4 A review of the receipts and disbursements journal showed 'Bank Transfers' did not identify a payee or payer or the purpose of the funds.

1.5 A review of the bank statement showed a deposit on July 10, 2023, which was not recorded in the receipts and disbursements journal.

1.6 The bank statement also showed a disbursement on July 3, 2023, and a check that cleared on July 6, 2023, that were not recorded in the receipts and disbursements journal.

(1) **Conclusion of Law:** By failing to identify CTA #1025 using the correct naming convention, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0025(1)(a)(b) 1/1/2023 and 1/1/2024 Editions.

(2) **Conclusion of Law:** By failing to identify required information on the records of receipts and disbursements, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0040(2)(a)(C)(b)(A)(B)(C)(D) 1/1/2024 Edition.

1.7 A review of the Owner/Tenant Ledger submitted by Hartsook, showed an ending balance which included funds for two CTAs.

1.8 Nine ledgers reflected a negative balance, totaling -\$10,204.17.

1.9 Hartsook explained to the Agency that the negative balance was the result of challenges with a past employee using the management system.

(3) **Conclusion of Law:** By disbursing funds from a CTA, causing a negative balance in the owner ledgers, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(3) 1/1/2024 Edition.

1.10 Agency Investigator Frank Leonard Jr (Leonard) requested Hartsook provide the March 2024 reconciliation and supporting documents for CTA #0503.

1.11 A review of the Trust Account Reconciliation form showed CTA #0503 and CTA #1025 accounted for on the single reconciliation document.

1.12 The March 2024 Trust Account Reconciliation document was signed and dated on May 7, 2024.

(4) **Conclusion of Law:** By reconciling two separate client trust accounts using one reconciliation document, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(2)(a) 1/1/2024 Edition.

(5) **Conclusion of Law:** By failing to complete the March 2024 reconciliation within 30 days of the bank statement, including identifying outstanding checks, Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(2)(a)(d)(A)(B) 1/1/2024 Edition.

1 1.13 A review of the AppFolio 'Reconciliation Report' provided by Hartsook showed
2 \$24,188.53 in unreconciled checks and disbursements dating to January 1, 2021, that were
3 not identified on Part I of the Trust Account Reconciliation document.

4 1.14 Two checks from November and December 2022 for property management fee
5 disbursements to ELPM were included on the 'Reconciliation Report.'

6 1.15 Hartsook submitted reconciliation records for April 2024 for CTA #0503 and CTA
7 #1025. A review of Part I of the Trust Account Reconciliation document for CTA #0503 showed
8 checks for property management fees had not been posted.

9 **(6) Conclusion of Law:** By failing to disburse property management fees in the month they
10 were earned. Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-
11 0027(6) 1/1/2022 Edition.

12 1.16 During the Agency's compliance review, Wetherbee requested Hartsook provide
13 the individual ledger for East Linn Corporate Property (ELCP). Hartsook wrote to the Agency
14 that ELCP is not an owner, and explained that when he bought the business, the accounting
15 and software were not correct. Hartsook further explained that AppFolio indicated the solution
16 was to hold the monies in the ELCP account. Hartsook wrote that the money is not ELPM
17 money, so they did not move it from the CTA.

18 1.17 In an interview with Leonard, when asked about the money in ELCP ledger,
19 Hartsook explained "that overage of money that we found, there is no owner ledger we can
20 find that it goes to. There is no past tenant we can find that it goes to. AppFolio put in in the
21 [ELCP] account and we have no way of knowing who that money belongs to. There has been
22 nobody that has stepped forward to us to say that we owe them money, or the previous
23 company owes them money."

24 1.18 The April 2024 ledger for ELCP showed a negative balance of -\$27,407.56. A
25 review of the ELCP ledger from previous months showed the ledger fluctuated from -\$900.90,
26 to \$55,911.11, and then -\$9,034.84.

27 **(7) Conclusion of Law:** By maintaining a 'corporate ledger' designated as "East Linn
28 Corporate Property" that acted as a reconciling ledger to hold unknown funds and transactions,
29 Hartsook violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(3)(b)
30 1/1/2024 Edition.

(8) Conclusion of Law: By failing to maintain complete and adequate professional real estate records, Hartsook violated ORS 696.301(3) as it incorporates ORS 696.280(1) 2023 Edition.

1.19 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.

(9) Conclusion of Law: Based on the foregoing, Licensee is subject to discipline under ORS 696.301(12) and (15) (2021 and 2023 Edition)

2.

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

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

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

3.

STIPULATION AND WAIVER

I, Bradley Hartsook, 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 Bradley Hartsook's property manager license be, and hereby is reprimanded.

IT IS FURTHER ORDERED that due to the violations addressed above, Bradley Hartsook will be subject to a future client's trust account reconciliation within 3 months of the issuance of this order.

IT IS SO STIPULATED:

IT IS SO ORDERED:

Signed by:

Bradley Hartsook

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BRADLEY HARTSOOK

Date 6/2/2025 | 9:26 AM PDT

Signed by:

Steve Strode

E2C2D0097AD8471...

STEVEN STRODE

Real Estate Commissioner

Date 6/2/2025 | 2:06 PM PDT

Date of Service: 6/2/25



REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of
SAMUEL JOHNSON

STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Johnson was licensed as a property manager acting in the capacity of a sole practitioner and doing business under the registered business name of Hoodview Property Management.

1.2 On August 25, 2021, Johnson signed a stipulated order, and his property manager license was reprimanded.

1.3 On September 22, 2023, Johnson signed a stipulated order, and his property manager license was reprimanded. One condition of the order was for Johnson to complete the 27-hour Property Manager Advanced Practices Course before his next renewal, and to submit to the Agency a certificate of completion within 10 days of completing the course.

1.4 On September 30, 2024, Johnson renewed his property manager license using the Agency's online licensing database.

1.5 Johnson answered 'Yes' to question 15 on the renewal application, which asks: "At any time during the past 24 months, have you had a client trust account check dishonored because of insufficient funds?"

1 1.6 Johnson included in his response to the question, "On 11/16/2023 we
2 accidentally ran a check for a property management owner distribution on older check stock
3 that was for an old Trust account (Umpqua 6185). We simply grabbed the old check stock on
4 accident when writing the check. When issuing the check I did not notice it was on the
5 incorrect check stock. The check was #8300 for \$41,627.63 made out to Kayak Properties,
6 LLC date 11/16/2023. It was posted NSF on 11/17/2023 and no money actually left that
7 account, so we did not have to make any corrections at the bank level. Once we realized the
8 mistake, we cut a check 2106 from the correct account (US Bank 8687) for \$41,627.63 made
9 out to Kayak Properties, LLC. That check was posted on 11/21/2024 [sic] and cleared. We
10 made immediate procedural corrections to make sure that does not happen again and have
11 had no issues since."

12 1.7 Agency Investigator Amanda Moser (Moser) requested Johnson provide the
13 November 2023 three-part reconciliation documents for clients' trust account ending in 6185
14 (CTA #6185). Johnson provided the requested records and explained to Moser that they had
15 changed banks to US Bank in 2023, and had not been using CTA #6185 for their monthly
16 deposits.

17 1.8 A review of the records provided shows the totals for Parts I, II, and III as \$0.00.
18 In Part IV, Johnson provided an explanation regarding check #8300.

19 1.9 A review of the November 2023 bank statement for CTA #6185, showed the
20 beginning balance in the account \$0.00. On November 17, 2023, check #8300 was posted
21 NSF Returned item in the amount of \$41,627.63. The ending balance for the account was
22 \$0.00. No fees were charged for insufficient funds.

23 1.10 In an interview on January 28, 2025, Johnson said he had made process
24 changes to prevent a similar situation from occurring again. Johnson explained that prior to
25 this, the checks for Umpqua Bank and US Bank were in different folders but located in the
26 same file cabinet. Johnson has now moved the Umpqua Bank checks to a different file cabinet.

27 1.11 Johnson said he intended to close out the Umpqua Bank account and was
28 waiting for a few checks to clear.
29
30

1 **(1) Conclusion of Law:** By issuing a check from a client trust account that was no longer in
2 use, causing the check to be dishonored due to insufficient funds, Johnson violated ORS
3 696.301(3) and its implementing rule OAR 863-025-0027(3) 1/1/2023 Edition.

4 1.12 A review of Johnson's renewal application showed 16 courses in continuing
5 education credits, that when added together, equaled 27 hours.

6 1.13 The 27-hour Property Manager Advanced Practices Course was not listed on
7 Johnson's renewal application.

8 1.14 During the interview with Moser, Johnson explained that he thought he had taken
9 the required course. Johnson checked his portal through Online Ed. and discovered that the
10 certificate for the course was from September 28, 2022, and expired on September 19, 2024.

11 1.15 Johnson explained it was an oversight on his part, as he thought the expiration
12 date was the date he completed the course. Johnson further explained that he made sure to
13 complete the number of required hours, and it was not intentional to not have taken the 27-
14 Hour Property Manager Advanced Practices Course, and he missed that detail in his stipulated
15 order.

16 **(2) Conclusion of Law:** Johnson did not complete the 27-hour Property Manager
17 Advanced Practices course before his next renewal, as was stipulated to on September 22,
18 2023. This is Grounds for Discipline per ORS 696.301(13) 2023 Edition.

19 1.16 All of the above demonstrates incompetence or untrustworthiness in performing
20 acts for which the real estate licensee is required to hold a license.

21 **(3) Conclusion of Law:** Based on the foregoing, Licensee is subject to discipline under
22 ORS 696.301(12) 2023 Edition.

23
24 2.

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

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

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

3.

STIPULATION AND WAIVER

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

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

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

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ORDER

IT IS HEREBY ORDERED that Johnson complete a condition of his prior stipulated order, dated September 22, 2023, in which he agreed to complete the 27-hour Property Manager Advanced Practices Course, detailed in OAR 863-022-0022 1/1/2024 Edition. Previously completed 27-hour Property Manager Advanced Practices Courses do not qualify. This course must have been started on February 23, 2025, or later to satisfy this order. Johnson must submit a certificate to the Agency showing completion of the 27-hour Property Manager Advanced Practices Course. Failure to complete and submit the required education would be a violation of ORS 696.301(13) 2023 Edition.

IT IS FURTHER ORDERED that Samuel Johnson's property manager license be, and hereby is suspended for 90 days. Should Johnson fail to submit a certificate of completion of the above-referenced 27-hour Property Manager Advanced Practices Course, his license will remain suspended until such time this requirement is satisfied. The suspension will be effective immediately once the order is signed by the Commissioner. Johnson must comply with all other applicable license reinstatement requirements.

IT IS SO STIPULATED:

IT IS SO ORDERED:

Signed by:

Samuel Johnson

C27480940095487...

SAMUEL JOHNSON

Date 6/23/2025 | 1:14 PM PDT

Signed by:

Steve Strode

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STEVEN STRODE

Real Estate Commissioner

Date 6/25/2025 | 9:51 AM PDT

Date of Service: 6/25/2025



REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

PAUL H LABBY

STIPULATED FINAL ORDER

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

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Labby was licensed as a principal broker with Carla Properties Ltd (Carla).

1.2 On October 17, 2023, Carla was notified that clients' trust account ending in 2682 (CTA-SD #2682), which holds security deposits, had been selected for a reconciliation review. Documents for August 2023 were requested and provided to the Agency. An investigation was opened due to the outstanding issues found in the reconciliation review.

1.3 A review of the August 2023 Trust Account Reconciliation document for CTA-SD #2682 showed the following totals:

Part I \$139,143.75

Part II \$139,143.75

Part III \$191,507.00

Part IV -\$52,363.25

1.4 The Trust Account Reconciliation document for August 2023 reconciliation was signed and dated November 8, 2023.

1 **(1) Conclusion of Law:** By failing to sign and date the Trust Account Reconciliation
2 document for the month of August 2023 for CTA-SD #2682 within 30 days of the date of the
3 bank statement, Labby violated ORS 696.301(3) and its implementing rule OAR 863-025-
4 0028(3)(b)(d)(A)(B) 1/1/2023 Edition.

5 1.5 A review of the August 2023 bank statement showed a single withdrawal of
6 \$250,000.00, which was transferred to a separate clients' trust account ending in 1345 (CTA
7 #1345).

8 1.6 A review of the general ledger showed a withdrawal in the amount of
9 \$250,000.00 with a description of "Rec ssb online transfer to ckg."

10 1.7 Agency Compliance Specialist Roger McComas (McComas) emailed Labby for
11 an explanation for the movement of \$250,000.00 between CTA-SD #2682 and CTA #1345,
12 including the payee and purpose. Labby directed McComas to work with Jessica Dhillon
13 (Dhillon) and Lisa Holter (Holter).

14 1.8 Dhillon informed McComas that there was a clerical error on the Trust Account
15 Reconciliation document. In addition, Dhillon explained the "\$250,000 was an internal banking
16 transfer from the Money Market/Security Deposit Account; based on an audit, we discovered
17 the balance was not in line with the actual dollar amount." On January 23, 2024, the Agency
18 received a revised Trust Account Reconciliation document.

19 1.9 The revised August 2023 Trust Account Reconciliation document for CTA-SD
20 #2682 showed the following totals:

21 Part I \$139,143.75

22 Part II \$139,143.75

23 Part III \$168,057.33

24 Part IV -\$28,913.58

25 1.10 In response to follow up questions from McComas, Dhillon provided additional
26 supporting documentation, including a spreadsheet identifying five months of internal audits of
27 security deposits.

28 1.11 A review of the spreadsheet for August 2023, showed a difference of \$23,449.67,
29 from the Part III total that was included on the revised August 2023 Trust Account
30 Reconciliation for CTA-SD #2682.

1.12 In addition, the discrepancies between the total security deposits collected and the ending bank account balance is not resolved until December 2023 and still showed a difference of \$53.42.

(2) Conclusion of Law: By failing to take correction action to resolve adjustments made in a reconciliation prior to the next reconciliation, Labby violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(4) 1/1/2023 Edition.

1.13 Dhillon provided the Agency with the December 2023 reconciliation documents for CTA-SD #2682. A review of the Trust Account Reconciliation document showed the following totals:

Part I \$183,388.09

Part II *left blank*

Part III \$183,339.67

Part IV difference of \$48.42, due to overage that was transferred into the "Client Trust Operating Account" on February 15, 2024.

(3) Conclusion of Law: By failing to include the required three components that are to be contained in a single reconciliation document, Labby violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(3)(a)(B)(4) 1/1/2023 Edition.

1.14 A review of the bank statement for October 2023 showed a deposit into CTA-SD #2682 in the amount of \$250,00.00, from CTA #1345.

1.15 A review of the bank statement for November 2023 showed a withdrawal from CTA-SD #2682 in the amount of \$250,000.00 into CTA #1345.

1.16 A review of the bank statement for December 2023 showed a deposit into CTA-SD #2682 in the amount of \$43,614.85 from CTA #1345.

1.17 Dhillon explained that the funds belonged to Stone Ridge Property and that all deposits and withdrawals are handled within the property's operating account. Dhillon further explained that the movement of funds was due to a "planned distribution...the security deposits amounts are audited once per month, and moved according, to ensure the security deposits are held in the security deposit account."

1 1.18 Agency Investigator Dylan Ray (Ray) emailed Labby and Dhillon requesting they
2 provide the reason, along with supporting documentation, to support the transfer of \$250,00.00
3 from CTA-SD #2682 to CTA #1345.

4 1.19 Dhillon provided a response, writing "There were no tenants affected by the
5 transfer, as this was a journal entry transaction...it had zero impact on tenant ledgers, as the
6 security deposits were indeed in the Stone Ridge Operating Account (x#1345)."

7 1.20 Ray requested Labby provide documentation authorizing them to use tenant
8 security deposit funds for planned distributions. In response, Dhillon wrote, "I'm sorry, but we
9 don't have any documentation from Residents, nor any documentation from the investors."

10 **(4) Conclusion of Law:** By transferring trust funds between CTA-SD #2682 and CTA
11 #1345 on multiple occasions, Labby violated ORS 696.301(3) and its implementing rule OAR
12 863-025-0030(1)(a)(b)(c)(d) 1/1/2023, 1/1/2024 Editions.

13 In addition, it was alleged that that transfer of security deposits was a journal entry
14 transaction that had no impact on tenant ledgers. Records showed the transfer of tenant
15 security deposits did physically occur on more than one occasion, and tenant ledgers would
16 have been affected. This act is Grounds for Discipline per ORS 696.301(12) 2023 Edition.

17 1.21 In an interview with Ray, Dhillon, and Holter, when asked if he oversaw all of the
18 property management activity for Carla, Labby responded, "Yes...ultimately the day-to-day
19 transfer of monies from funds. No. I don't...ultimately, I suppose I do as the broker of record,
20 but I have bookkeepers and property managers that do the day-to-day transfer of funds."

21 1.22 Ray asked Labby if he reviews and approves the monthly reconciliations. In
22 response, Labby stated "No... I didn't know that that was a requirement that the reconciliations
23 are approved...I approve the bank statements and the deposits to the client's trust accounts,
24 but I don't go through the reconciliation. We have too many. I could never do that."

25 1.23 Dhillon explained that their bank statements are approved and reviewed each
26 month by one of the brokers.

27 1.24 After the interview, Labby provided to Ray a signed "authorization letter" that
28 read "The following staff members have the authority to communicate with the Oregon Real
29 Estate Agency regarding the Client Trust Account Audit/Investigations..."
30

1.25 Dhillon confirmed to Ray that the authorization letter provided was intended to be the delegation of authority.

(5) Conclusion of Law: By failing to supervise the professional property management conducted under his license, Labby violated ORS 696.301(3) and its implementing rule OAR 863-015-0140(1)(3) 1/1/2023, 1/1/2024 Editions.

(6) Conclusion of Law: By failing to have a written delegation of authority identifying individuals who could review and approve clients' trust account reconciliations, Labby violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(5) 1/1/2023, 1/1/2024 Editions. In addition, Labby violated ORS 696.301(3) and its implementing rule OAR 863-025-0015(5)(b) 1/1/2023, 1/1/2024 Editions.

1.26 The Agency received the November 2024 reconciliation for CTA-SD #2682, and supporting documentation.

1.27 A review of the General Ledger showed two deposits. The first in the amount of \$674.14 with the description "Sec Dep audit Oct 2024." The second deposit was in the amount \$163.80, included the description "PostRecurring Monthly Sterling Savings In."

(7) Conclusion of Law: By failing to identify receipt of funds in the record of receipts and disbursements, Labby violated ORS 696.301(3) and its implementing rule OAR 863-025-0040(2)(a)(C) 1/1/2023 Edition.

1.28 All of the above demonstrates a failure to uphold affirmative duties to account in a timely manner for all funds received from or on behalf of the owner, and to act in a fiduciary manner in all matters relating to trust funds.

(8) Conclusion of Law: Based on the foregoing, Labby violated ORS 696.301(3) as it incorporates ORS 696.890(4)(c)(d)(e) 2023 Edition.

1.29 All of the above demonstrate incompetence or untrustworthiness in performing acts for which the real estate licensee is required to hold a license and conduct that is below the standard of care for the practice of professional real estate activity in Oregon.

(9) Conclusion of Law: Based on the foregoing, Licensee is subject to discipline under ORS 696.301(12) and (15) 2023 Edition.

2.

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

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

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

3.

STIPULATION AND WAIVER

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

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

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

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ORDER

IT IS HEREBY ORDERED that Paul Labby's principal broker license be reprimanded.

IT IS SO STIPULATED:

IT IS SO ORDERED:

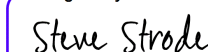
DocuSigned by:



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PAUL LABBY

Signed by:



E2C2D0097AD8471...

STEVEN STRODE

Real Estate Commissioner



Date 7/10/2025 | 11:36 AM PDT

Date 7/14/2025 | 9:06 AM PDT

Date of Service: 7/14/2025

In the Matter of the Real Estate License of
ERIC NORRIS LOZANO

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STIPULATED FINAL ORDER

FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 1.1 At all times mentioned herein, Lozano was licensed as a property manager acting in the capacity of a sole practitioner and doing business under the registered business name of Hanover and Townsend Fine Property Management LLC.
- 1.2 On December 6, 2024, Hanover and Townsend Fine Property Management was notified that clients' trust account ending in 5609 (CTA #5609), which holds owner funds, had been selected for a reconciliation review. Documents for October 2024 were requested and provided to the Agency.
- 1.3 A review of the journal of receipts and disbursements showed application fees that had cleared the bank and had been immediately disbursed but had not been recorded in the journal.
- 1.4 A review of the owner ledgers showed 16 negative ledger balances totaling \$28,078.54, including a corporate ledger with a -\$3,884.44 balance.
- 1.5 Agency Compliance Specialist Jenifer Wetherbee (Wetherbee) requested from Lozano the property management agreements for owners who had multiple ledger accounts, some with negative ending balances, but the net balance was positive.

1 1.6 A review of these property management agreements showed that “Agent may
2 transfer funds between one or more of the ledger accounts established for Owner for the
3 payments of expenses related to any of Owner’s Properties.”

4 1.7 Lozano’s records reflect that the transfer was not made before one or more of the
5 individual ledger accounts went negative.

6 1.8 Wetherbee emailed Lozano and asked for an explanation for the remaining
7 negative ledger balances and the individual ledgers for those accounts. In response, Lozano
8 explained that the negative balances were due to “mismatched rent payment and owner
9 payment timing.” Lozano further explained they will attempt to guide tenants to pay around the
10 first of the month, and they will more accurately set up owner payment schedules to avoid
11 timing problems.

12 1.9 Regarding the negative balance in the corporate ledger, Lozano explained that
13 they hired a consulting firm to help correct previous entries. A review of the security deposits
14 showed excess funds in the trust account, and they adjusted individual property security
15 deposit ledgers to be correct. After those adjustments they moved the funds to the corporate
16 ledger. Lozano further explained that after the adjustment excess funds were “parked” in the
17 company account. The next step was to review property ledgers a final time and then they plan
18 to move the funds out of the trust account.

19 1.10 Lozano submitted the January 2025 reconciliation records and supporting
20 documentation for CTA #5609, as well as account ending in 5617, holding security deposits
21 (CTA-SD #5617).

22 1.11 A review of the CTA #5609 records still showed negative ledgers balances. As of
23 January 31, 2025, there was a total of -\$19,582.78 in ledger negative balances.

24 **(1) Conclusion of Law:** By failing to ensure there were sufficient funds in the
25 corresponding owner ledger account before disbursing funds from CTA #5609, Lozano
26 violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(3) 1/1/2024 Edition.

27 **(2) Conclusion of Law:** By failing to take corrective action to resolve adjustments made in
28 a reconciliation prior to the next reconciliation, Lozano violated ORS 696.301(3) and its
29 implementing rule OAR 863-025-0028(4) 1/1/2024 Edition.
30

1 **(3) Conclusion of Law:** While it was agreed to in the property management agreement
2 that funds could be transferred between one or more ledger accounts maintained for the same
3 owner, Lozano failed to transfer the funds before the individual ledger account went negative,
4 Lozano violated ORS 696.301(3) and implemented rules OAR 863-025-0027(4) and OAR 863-
5 025-0027(3) 1/1/2024 Edition.

6 1.12 Wetherbee asked Lozano for an explanation for the transactions that had cleared
7 the bank but were missing from the journal of receipts and disbursements.

8 1.13 In response, Lozano explained that three transactions from October 2024 were
9 not recorded in the journal of receipts and disbursements.

10 **(4) Conclusion of Law:** By failing to record all funds received and disbursed in the journal
11 of receipts and disbursements, Lozano violated ORS 696.301(3) and its implementing rule
12 OAR 863-025-0040(1) 1/1/2024 Edition.

13 1.14 The January 2025 corporate ledger used for CTA #5609, now showed a positive
14 balance. The corporate account ledger was labeled as "Cash Buffer."

15 1.15 A review of the corporate ledger showed application fee transactions and other
16 adjustments, with a net zero outcome. A December 3, 2024, deposit was posted for
17 \$29,367.66 with a description of "Transfer to correct liability totals."

18 1.16 Lozano explained that in December he figured out he needed to make an
19 adjustment to true-up security deposits, and refine the reserve funds the company had sitting
20 in the "Rent Trust Account."

21 1.17 On March 17, 2025, Wetherbee sent a follow-up email to Lozano to clarify what
22 he meant by reserve funds, and to confirm if these were transferred from CTA-SD #5617 to
23 CTA #5609.

24 1.18 In response, Lozano stated that they found \$18,636.60 in the owner account that
25 should have been in the security deposit account. The funds remaining in the corporate ledger
26 are "reserves." Lozano confirmed these were not owner or property reserves but, "amounts
27 (management, maintenance, or other) not transferred over to our company account over time.
28 Some intentional and some by mistake. You can see that we send owner payments in the
29 middle of the month. This is something I started early on and now regret. It felt correct to have
30 some amount of money in the account in case a tenant check bounced or similar. Usually, the

tenant account was correct by the end of the month. I now know this is not the correct process.”

(5) Conclusion of Law: By holding company funds in a clients trust account, Lozano violated ORS 696.301(3) as it incorporates ORS 696.241(5) 2023 Edition.

1.19 All of the above demonstrates a failure to uphold affirmative duties to account in a timely manner for all funds received from or on behalf of the owner, and to act in a fiduciary manner in all matters relating to trust funds.

1.20 All of the above demonstrate incompetence or untrustworthiness in performing acts for which the real estate licensee is required to hold a license and conduct that is below the standard of care for the practice of professional real estate activity in Oregon.

(6) Conclusion of Law: Based on the foregoing, Lozano violated ORS 696.301(3) as it incorporates ORS 696.890(4)(d)(e) 2023 Edition.

(7) Conclusion of Law: Based on the foregoing, Lozano is subject to discipline under ORS 696.301(12)(15) 2023 Edition.

2.

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

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

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

3.

STIPULATION AND WAIVER

I, Eric Lozano, have read and reviewed this Stipulated Final Order and its Findings of Fact, Statements of Law and Conclusions of Law. I understand that the Findings of Fact, Conclusions of Law and this Stipulation and Waiver of Hearing rights embody the full and complete agreement and stipulation between the Agency and me. I further understand that if I do not agree with this stipulation, I have the right to request a Hearing on this matter and to be represented by legal counsel at such a Hearing. I also understand that any Hearing would be

conducted in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon. By signing this Stipulated Final Order, I freely and voluntarily waive my rights to a Hearing, to representation by legal counsel at such a Hearing, and to judicial review of this matter.

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

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

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ORDER

IT IS HEREBY ORDERED that Eric Lozano's property manager license be reprimanded.

IT IS FUTHER ORDERED that due to the violations above, Eric Lozano will be subject to a future clients' trust account reconciliation review within 6 months of the issuance of this order.

IT IS SO STIPULATED:

IT IS SO ORDERED:

Signed by:

Eric Lozano

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ERIC LOZANO

Date 6/23/2025 | 5:50 AM PDT

Signed by:

Steve Strobe

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STEVEN STRODE

Real Estate Commissioner

Date 6/23/2025 | 9:38 AM PDT

Date of Service: 6/23/25



REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Unlicensed Professional
Real Estate Activity of
XIAO Q TANG

STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 Tang was licensed as a principal broker in January 2010. On February 1, 2024, Tang's license went inactive due to failure to renew her Registered Business Name (RBN). The Agency had previously issued Tang a two-month suspension and 10-year limited license, with no property management activity, in response to two complaints the Agency received. The Stipulated Order was signed in 2020.

1.2 On June 13, 2024, the Agency received a complaint from James Montgomery (Montgomery) against Tang. The Agency opened an investigation.

1.3 Montgomery's complaint alleged that Tang did not hold an active real estate license when their offer to purchase was accepted on a listing Tang had in the RMLS.

1.4 In response to the complaint, Tang wrote that her license was active when she wrote the listing, and she believed her license was active when the property went under contract. Tang wrote that she found out her license was suspended one or two weeks before the closing. She renewed her business name and did not think she should have abandoned her client during this transaction.

1.5 Tang listed property located at 38348 Richardson Gap Rd, Scio, Oregon (subject property) on October 15, 2023, with a termination date of May 31, 2024.

1.6 On January 1, 2024, the Agency emailed Tang a RBN renewal notice at her email address of record. The Agency sent a follow-up email reminder on January 19, 2024, and January 31, 2024.

1.7 On February 1, 2024, the Agency emailed Tang and informed her that her real estate license is inactive due to failing to renew her RBN. The email informed Tang that she cannot conduct professional real estate activity with an inactive license.

1.8 On April 26, 2024, an offer to purchase the subject property was submitted. The offer was accepted on April 28, 2024.

1.9 A review of Linn County Tax Assessment shows the sale of the subject property closed on May 29, 2024.

1.10 On September 1, 2024, the Agency emailed Tang a renewal notice for her principal broker license at her email address of record. The Agency sent a follow-up email reminder on September 23, 2024.

1.11 On October 1, 2024, Tang's principal broker license expired, which expired her RBN that same day.

1.12 Tang renewed her principal broker license on October 7, 2024. On the principal broker renewal application, Tang answered "No" to question 16, which asks, "At any time during the past 24 months, while holding an inactive or expired real estate license, have you conducted professional real estate activity?"

1.13 During a phone call with Agency Investigator Lindsey Nunes (Nunes) on October 11, 2024, Tang explained that RMLS informed her that her principal broker license was inactive, and she reapplied for a new RBN and reactivated her principal broker license on May 13, 2024.

1.14 Nunes asked Tang if she received the emails from the Agency regarding her RBN renewal and inactive principal broker license, Tang replied that she did not know.

1.15 Nunes read Tang her response to the complaint that she submitted to the Agency. Tang said she did not remember responding to the complaint.

1 1.16 Nunes asked Tang if she received the emails from the Agency regarding her
2 principal broker license renewal in September 2024. Tang responded that she did receive
3 those emails.

4 1.17 Nunes informed Tang that her principal broker license was currently inactive and
5 she needed to reassociate her license to her RBN. Tang's license was reassociated to her
6 RBN that same day.

7 1.18 In a settlement conference held with the Agency on April 28, 2025, Tang
8 explained there had been a sudden death in her family in January 2024, and during that time
9 she experienced some personal challenges, but also explained she didn't realize there were
10 two separate renewals, one for her RBN and one for her principal broker license.

11 **(1) Conclusion of Law:** Tang conducted professional real estate activity from February 1,
12 2024, through May 13, 2024, during which her license was inactive, in violation of ORS
13 696.301(3) as it incorporates ORS 696.020(2) 2023 Edition. In addition, Tang violated ORS
14 696.301(3) and its implementing rule OAR 863-14-0050(3) 1/1/2024 Edition.

15 A license who engages in professional real estate activity after the licensee has failed to
16 renew a license is subject to civil penalty per ORS 696.990(4)(a)(b)(9) 2023 Edition.

17 2.

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

26 3.

27 The Agency reserves the right to investigate and pursue additional complaints that may
28 be received in the future regarding this licensee.
29
30

1 4.

2 STIPULATION AND WAIVER

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

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

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

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ORDER

IT IS HEREBY ORDERED that, pursuant to ORS 696.990 and based upon the violation set forth above, Tang pay a civil penalty in the sum of \$3,000.00, 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:

DocuSigned by:

Xiao Tang

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XIAO Q TANG

Date 6/12/2025 | 11:23 PM PDT

Signed by:

Steve Strode

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STEVEN STRODE

Real Estate Commissioner

Date 6/26/2025 | 8:18 AM PDT

Date of Service: 6/26/2025



REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

ANGELA ANN WATSON

FINAL ORDER BY DEFAULT

PROCEDURAL HISTORY AND PROCEDURAL LAW

1.

1.1 On June 12, 2025, the Real Estate Commissioner issued, by certified mail, a *Notice of Intent to Suspend License No. PM.201216951* the real estate property manager license of Angela Watson (Watson). The Oregon Real Estate Agency (Agency) sent the Notice of Intent to Watson's last known address of record with the Agency (626 Queen Ave SW, Albany, OR 97322). The *Notice of Intent* was also mailed to Watson by regular first-class mail to the above address in a handwritten envelope. And *The Notice of Intent* was emailed to Watson at her email address of record.

1.2 The email was not returned as undeliverable.

1.3 Neither the certified mailing nor the first-class mailing has been returned to the Agency. Over twenty days (20 days) have elapsed since the mailing of the notice issued in this matter and no written request for hearing has been received by the Agency.

2.

Based upon the foregoing, and upon the Agency's investigation reports, documents and files that, pursuant to Section 9 of the *Notice of Intent*, automatically become part of the evidentiary record of this disciplinary action upon default (for the purpose of proving a prima facie case (ORS 183.417(4))), the Real Estate Commissioner finds:

2.1 A notice of intent is properly served when deposited in the United States mail, registered or certified mail, and addressed to the real estate licensee at the licensee's last

known address of record with OREA. (ORS 183.415(2); OAR 137-003-0505; OAR 863-001-0006. If correctly addressed, such a notice is effective even though it is not received by the person to be notified. *Stroh v. SAIF*, 261 OR 117, 492 P2d 472 (1972) (footnote 3 in this case misquotes the cited treatise and contradicts the text of the opinion; treatise and cited case law support the proposition stated in the text.) Also, notice is effective even though the addressee fails or refuses to respond to a postal service “mail arrival notice” that indicates that certified or registered mail is being held at the post office. See *State v. DeMello*, 300 Or App 590, 716 P2d 732 (1986) (discussing use of certified mail to effectuate notice of driver’s license suspension under ORS 482.570). See also *El Rio Nilo, LLC v. OLCC*, 240 Or App 362, 246 P3d 508 (2011) (Notice by certified mail effective even though addressee did not pick up in time to file request for hearing timely). (Oregon Attorney General’s Administrative Law Manual and Uniform Model Rules Of Procedure Under the Administrative Procedures 2019 Edition at pages 97-98.

2.2 Watson’s last known address of record with the Agency was 626 Queen Ave SW, Albany, OR 97322.

2.3 A certified mailing of the *Notice of Intent* was mailed to Watson at her last known address of record on June 12, 2025. The certified mailing of the notice has not been returned to the Agency.

2.4 The notice was also mailed regular first-class mail in a handwritten envelope to the above address for Watson. The mailings in the handwritten envelope have not been returned to OREA. The OAH Rules contain a rebuttable presumption that documents sent by regular mail are received by the addressee. ORS 137-003-0520(10). If the regularly mailed notice is actually received, it is effective on the date received, rather than the date of mailing.

2.5 Over twenty (20) days have elapsed since the mailing of the notice and no written request for a hearing has been received.

2.6 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.

2.7 As noted in section 9 of the *Notice of Intent to Suspend License No. PM.201216951*, and section 2 above, the Agency's entire investigation file was designated as the record for purposes of presenting a prima facie case upon default, including submissions from Watson and all information in the administrative file relating to the mailing of notices and any responses received.

FINDINGS OF FACT

3.

3.1 At all times mentioned herein, Watson was licensed as a property manager with Watson Management Services LLC.

3.2 On January 25, 2025, Watson Management Services LLC was notified by the Agency that their client's trust account holding owner funds ending in 6173 (CTA #6173), was selected for a reconciliation review. Watson provided the Agency with November 2024 reconciliation records.

3.3 After reviewing the reconciliation records, Agency Compliance Specialist Jenifer Wetherbee (Wetherbee) emailed Watson on February 18, 2025, and requested additional records and information.

3.4 No response from Watson was received. Wetherbee followed up via email on February 26, 2025, and March 5, 2025. Wetherbee left a voicemail for Watson on March 7, 2025.

3.5 Watson responded on March 7, 2025, and notified Wetherbee that Agency emails had been going to her spam folder. Watson requested and was granted an extension to submit records by March 12, 2025.

3.6 On March 13, 2025, Watson sent an email to Wetherbee that records would be received by March 17, 2025.

3.7 Wetherbee followed up via email on March 21, 2025, as no records had been received. Watson responded to Wetherbee's questions, but did not provide a revised owner ledger, as requested.

3.8 The Agency received 13 complaints against Watson and opened separate investigations against Watson between March 10, 2025, and May 31, 2025.

3.9 The Agency received a complaint from property owner Sarah Sullivan (Sullivan) against Watson. Sullivan alleged they had not received payment from Watson for the month of March 2025. Sullivan further wrote that Watson had not returned phone calls or emails regarding the funds for at least 15 days.

3.10 In response to the complaint, Watson wrote that the late payment in March 2025 was due to a software issue out of their control, that has since been resolved. Watson included that the payment was transferred to Sullivan around March 27, 2025.

3.11 Agency Investigator Frank H. Leonard Jr. (Leonard) emailed Watson on April 18, 2025, and requested the following property management records for the property managed for Sullivan. Records were due by April 25, 2025:

- Property Management Agreement
- Owner Ledger from March 2025 through April 2025
- Tenant ledger for the previous 6 months November 2024 through April 2025
- Tenant Agreement
- Proof of payment for January, February, March, and April 2025
- Proof of payment software 'glitch' as Watson had stated she could provide the Agency with this information
- All written communication between Watson and owner for payment issues
- Delegation of Authority for Milissa Veilleux

3.12 Watson did not respond to Leonard's April 18, 2025, email and did not provide the requested records.

3.13 The Agency received a complaint from property owner Pamela Menzel (Menzel) against Watson. Menzel alleged that over the last several months rent deposits had been consistently late. Menzel alleged that they had not received rent for March 2025. Menzel

included that they received an email from Watson and were told that rent would be deposited the same day and was not.

3.14 In response to the complaint, Watson wrote that they were experiencing issues with ACH through the third-party software system, and checks were being deposited directly into owner accounts. Watson wrote that she has documentation from the software company stating it was an issue at their end.

3.15 Leonard emailed Watson on May 5, 2025, and requested the following property management records for the property managed for Menzel. Records were due by May 12, 2025:

- Property Management Agreement for two properties
- Owner ledger
- Final accounting for two properties
- Proof of rental payment for January and February 2025
- Written statement of explanation
- Proof of issue with software

3.16 Leonard called Watson on May 7, 2025, and left a voicemail requesting that she responds to the Agency. Watson neither responded to Leonard's May 5, 2025, email nor returned his phone call and did not provide the requested records.

3.17 The Agency received a complaint from property owner Linda Bao (Bao) against Watson. Bao alleged that Watson had not sent owners payment for the months of January, February and March 2025 related to three properties. Bao estimated that the funds owed before fees for the three properties totaled \$24,600.00.

3.18 In response to the complaint, Watson wrote that rent payment was delayed due to the repairs needed on the properties and waiting for owner approval to deduct from rent. Watson wrote that payments were mailed out, however payment was not received, therefore address verification was requested and payment would be made via ACH.

3.19 Leonard emailed Watson on May 12, 2025, and requested the following property management records for the properties managed for Bao. Records were due by May 13, 2025:

- Property Management Agreement
- Owner ledger from November 2024 through April 2025

- Tenant lease agreement for each property managed by the complainant
- Explanation for non-payment of funds for January, February, and March 2025

3.20 Watson did not respond to Leonard's May 12, 2025, email and did not provide the requested records.

3.21 The Agency received a complaint from property owner Megan Sun (Sun) against Watson. Sun alleged that they did not receive rent for March 2025. In addition, Sun alleged that they did not receive owner statements for January, February, and March 2025.

3.22 In response to the complaint, Watson wrote that with aggregate deposits or disbursements, the record needs to be broken down better. Watson wrote that they have made that change for the future as well as made a separate report that details individual transactions.

3.23 Leonard emailed Watson on May 13, 2025, and requested the following property management records for properties managed for Sun. Records due by May 14, 2025:

- Property Management Agreement
- Owner ledger from November 2024 through April 2025
- Tenant lease agreement for each property managed by complainant
- Explanation for late and non-payments
- AppFolio owner statement portal history report

3.24 Additionally, Leonard emailed Watson on May 13, 2025, and requested the following property management records regarding the Agency's reconciliation review. Records were due by May 16, 2025:

- CTA #6173 Reconciliation document, and supporting materials including bank statement, general ledger, and receipt and disbursements journal
- Explanation for why Watson answered on her renewal application that she did not manager for any owners or properties
- Explanation of how many door/units Watson manages
- Explanation of how much in security deposits Watson holds

3.25 Watson did not respond to either of Leonard's May 13, 2025, emails, and did not provide the requested records.

3.26 On May 21, 2025, Leonard left a voicemail with Watson on her phone number of record, requesting a response. No response was received from Watson.

3.27 Real estate licensees are required to maintain and produce records to the Agency. Watson's failure to produce records that she is required to maintain and provide to the Agency when requested demonstrates incompetence in Watson's performance of professional real estate activity.

(1) Violation: By failing to provide property management records as requested by the Agency, Watson violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(b)(c) 1/1/2025 Edition, which states: A property manager must produce records required under section (1) of this rule for inspection by the Agency as follows: (a) when the Agency makes a request for production of property management records, the property manager must provide such records within no less than five banking days; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to produce such records within the timelines state in subsection (a) or (b) of this section is a violation of ORS 696.301.

(2) Violation: The above violation is grounds for discipline under ORS 696.301(3) as it incorporates ORS 696.301(12)(15) 2023 Edition, which states a licensee's real estate license may be disciplined who has: (12) demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; and (15) engaged in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

STATEMENT OF LAW APPLICABLE TO FINDINGS OF FACT

4.

4.1 ORS 696.301(1) to (15) sets out the grounds of discipline for which the Real Estate Commissioner may suspend, revoke, reprimand or deny the issuance or renewal of a

license to an applicant. ORS 696.301(3), (12) and (15) provides that the Commissioner may suspend a licensee's real estate license if they have: (3) disregarded or violated any provision of ORS 659A.421, 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.890 or any rule of the Real Estate Agency; (12) have demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; (15) engaged in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

4.2 ORS 696.396(2)(c)(B). According to ORS 696.396(2)(c)(B) and (D) the Real Estate Commissioner may suspend a real estate license if material facts establish a violation of a ground of discipline under ORS 696.301 that: (B) exhibits incompetence in the performance of professional real estate activity.

4.3 OAR 863-027-0020(1) defines the goal of progressive discipline and OAR 863-027-0020(2) sets out all factors the Real Estate Commissioner will consider when determining the level of discipline for licensees.

4.4 ORS 696.280(1)(3)(4)(a)(b)(c)(d) and (5). According to ORS 696.280(1)(3)(4)(a)(b)(c)(d) and (5): (1) A licensed real estate property manager or principal real estate broker shall maintain within this state, except as provided in subsection (6) of this section, complete and adequate records of all professional real estate activity conducted by or through the licensed real estate property manager or principal real estate broker. The Real Estate Agency shall specify by rule the records required to establish complete and adequate records of a licensed real estate property manager's or principal real estate broker's professional real estate activity. The only documents the agency may require by rule a licensed real estate property manager or principal real estate broker to use or generate are documents that are otherwise required by law or are voluntarily generated in the course of conducting professional real estate activity; (3) Records maintained under this section must at all times be open for inspection by the Real Estate Commissioner or the commissioner's authorized representatives; (4) Except as provided in subsection (2) of this section, records under this section must be maintained by the real estate licensee for a period of not less than six years after the following date: (a) For the notice of clients' trust account and authorization to

examine under ORS 696.245, the date the account was closed; (b) For real estate transactions, the date a transaction closed or failed, whichever is later; (c) For management of rental real estate, the date on which the record expired, was superseded or terminated, or otherwise ceased to be in effect; and (d) For all other records, the date the record was created or received, whichever is later; (5) Records under this section may be maintained in any format that allows for inspection and copying by the commissioner or the commissioner's representatives, as prescribed by rule of the agency.

4.5 OAR 863-025-0035(2)(a)(b) and (c). OAR 863-025-0035(2)(a)(b) and (c) states: (2) A property manager must produce records required under section (1) of this rule for inspection by the Agency as follows: (a) When the Agency makes a request for production of property management records, the property manager must provide such records within no less than five banking days; (b) If the Agency has reasonable grounds to believe the funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) Failure to produce such records within the timelines stated in subsection (a) or (b) of this section is a violation of ORS 696.301

4.6 In establishing the violations alleged above, the Agency may rely on one or more definitions contained in ORS 696.010.

4.7 In accordance with 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.

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ULTIMATE FINDINGS OF FACT

5.

5.1 Watson failed to provide property management records as requested by the Agency.

5.2 In summary, the facts above establish grounds to suspend Watson's property manager license.

CONCLUSIONS OF LAW

6.

6.1 Pursuant to ORS 183.417(4) and OAR 137-003-0670 Watson is in default.

6.2 The material facts establish a violation of a ground for discipline, by preponderance of the evidence, under ORS 696.301 as set forth in the *Notice of Intent to Suspend License No. PM.201216951* and ORS 696.396(1),(2)(c)(B).

6.3 Based on these violations, the Agency may suspend Watson's property manager license.

6.4 Specifically, Watson is subject to discipline pursuant to ORS 696.301(3), (12) and (15) for (3) disregarding or violating any provision of ORS 659A.421, 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.890 or any rule of the Real Estate Agency; (12) demonstrating incompetence or untrustworthiness in performing any act for which the licensee is required to hold a license; and (15) engaging in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

6.5 A suspension of Watson's property manager license is appropriate for violations of ORS 696.301(3), (12) and (15).

6.6 A suspension of Watson's property manager license is appropriate under ORS 696.396(2)(c)(B). According to ORS 696.396(2)(c)(B) the Agency may suspend a real estate license if the material facts establish a violation of a ground of discipline under ORS 696.301 that (B) exhibits incompetence in the performance of professional real estate activity.

6.7 Based on the evidence in the record, the preponderance of the evidence supports the suspension of Watson's property manager license.

6.8 The Agency may therefore, suspend Watson's property manager license.

6.9 Pursuant to ORS 696.775 the expiration/lapsing of Watson's license does not prohibit the Commissioner from proceeding with this, or further action.

6.10 The specific violations are repeated here below:

(1) Violation: By failing to provide property management records as requested by the Agency, Watson violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(b)(c) 1/1/2025 Edition, which states: A property manager must produce records required under section (1) of this rule for inspection by the Agency as follows: (a) when the Agency makes a request for production of property management records, the property manager must provide such records within no less than five banking days; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to produce such records within the timelines state in subsection (a) or (b) of this section is a violation of ORS 696.301.

(2) Violation: The above violation is grounds for discipline under ORS 696.301(3) as it incorporates ORS 696.301(12)(15) 2023 Edition, which states a licensee's real estate license may be disciplined who has: (12) demonstrated incompetence or untrustworthiness in performing any act for which the real estate licensee is required to hold a license; and (15) engaged in any conduct that is below the standard of care for the practice of professional real estate activity in Oregon as established by the community of individuals engaged in the practice of professional real estate activity in Oregon.

6.11 Suspension of Watson's property manager license is appropriate under ORS 696.396(2)(c)(B).

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ORDER

IT IS HEREBY ORDERED that pursuant to ORS 696.301 and based upon the violations set forth, Watson's property manager license is suspended. This suspension is indefinite and will continue for a minimum of 30 days or until Watson fully complies with the Agency's records requests. The Agency in its sole discretion will determine compliance with its records requests.

Dated this 8th day of July, 2025.

OREGON REAL ESTATE AGENCY

Signed by:

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Steven Strode
Real Estate Commissioner

NOTICE OF RIGHT TO APPEAL: You are entitled to judicial review of this Order. Judicial review may be obtained by filing a petition for review within 60 days from the date of service of this order. Judicial review is to the Oregon Court of Appeals, pursuant to the provisions of ORS 183.482.

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of)
SAMANTHA WRIGHT) STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Wright was licensed as a broker. Wright was associated with Taylor & Taylor until September 30, 2023. Wright is currently associated with Realty One Group – At the Beach.

1.2 On June 27, 2024, the Agency received a complaint from Kathryn Paterson (Paterson) against Wright. The Agency opened an investigation.

1.3 In her complaint, Paterson, identified as the seller for the Kathryn Paterson Living Trust, wrote that she attempted to sell property located at 9516 Siletz Highway, Lincoln City, Oregon, to the same buyers twice and both transactions failed. Wright was identified as the buyer's agent.

1.4 Paterson provided the Agency with the Purchase and Sale Agreement (PSA), and addenda for both transactions. In addition, Paterson provided the Buyer's Contingent Right to Purchase Addendum, and Termination Agreement.

1.5 A review of the first PSA showed Paterson signed the agreement on August 6, 2023. Earnest money was listed as \$7,000.00, and the transaction was to close at Western Title and Escrow on or before September 18, 2023.

1 1.6 A review of the Buyer's Contingent Right to Purchase Addendum showed the
2 transaction was contingent upon the sale of the buyer's property.

3 1.7 A review of the Termination Agreement showed Western Title and Escrow was
4 instructed to disburse the earnest money, in the amount of \$7,000.00, to the buyers.

5 1.8 On August 16, 2024, Agency Investigator Cidia Nañez (Nañez) interviewed
6 Wright. Wright explained that after the transaction failed, she had a conversation with
7 Paterson's broker Matthew Starck (Starck) who asked her to present another offer and said the
8 buyers could try to get financing without it being contingent on selling their home.

9 1.9 Wright provided Nañez a copy of the second PSA, signed by the same buyers for
10 the same Siletz Highway property. The buyers signed the PSA on October 19, 2023.

11 1.10 Paterson did not accept the buyer's new PSA and submitted a counteroffer on
12 October 20, 2023. The counteroffer included "Earnest Money to be non-refundable."

13 1.11 The buyers did not accept Paterson's counteroffer and submitted a Buyer's
14 Counteroffer on October 21, 2023. The Buyer's Counteroffer included "2. Earnest money shall
15 not be refundable."

16 1.12 Paterson accepted the Buyer's Counteroffer on October 22, 2023.

17 1.13 Emails provided to Nañez by Matthew Cleverly, Esq., legal counsel for Western
18 Title and Escrow show that on October 22, 2023, Wright emailed an escrow officer requesting
19 to "Please open escrow and find the Fully Executed Sales Agreement and all supporting
20 documents for 9516 Siletz Hwy Lincoln City, OR attached."

21 1.14 The Transaction Manager with Keller Williams sent an email to Wright and Starck
22 on October 23, 2023, with details pertaining to the executed offer, which included "Earnest
23 Money: \$5,000 Due: 10/25/2023 – NON-REFUNDABLE."

24 1.15 In an email exchange between Wright and the Transaction Manager, Wright
25 wrote "Just to clarify. The buyers counter offer that was accepted states that earnest money is
26 not non refundable." The Transaction Manager responded to Wright stating "On the buyer's
27 counter offer it states "EM shall not be refundable"?". Wright replied writing "...that was
28 supposed to say shall not be non-refundable. I think my computers spell check auto corrected
29 it. I will call the buyers!"
30

1 1.16 In her written response to the Agency regarding the complaint, Wright wrote,
2 “The buyer counter offer was signed and presented and the typo/computer correction was not
3 seen by any of the parties until it came to the termination of the transaction. [Starck] and
4 myself and the buyers were all under the understanding that this was refundable. This was a
5 true mistake that was overseen by all parties and misunderstanding.”

6 1.17 During the interview with Nañez on August 16, 2024, Wright explained that the
7 earnest money she wrote was a huge mistake, and that no one caught it. Wright said she felt
8 terrible for the buyers and they never intended to give up their earnest money.

9 1.18 A review of the real estate records provided by both Paterson and Wright, show
10 there was no communication found between the parties regarding the correction of the
11 counteroffer and clarifying the alleged error, except for the October 23, 2023, email between
12 Wright, the Transaction Manager, with a copy to Starck. In addition, there were no documents
13 regarding the transaction between October 23, 2023, and the close date of November 9, 2023.

14 1.19 In an interview with Nañez on August 13, 2024, Paterson said no one could tell
15 her if they were closing. Paterson said she called Western Title and Escrow the day before the
16 transaction was supposed to close, and they told her they had not heard from anyone.
17 Paterson explained that instead of cancelling the contract, the buyers let it slide and missed
18 the close date.

19 1.20 In an email to Western Title and Escrow dated November 11, 2023, the buyers
20 wrote “We had our financing package declined, and the closing date obviously has come and
21 passed. Can you advise us regarding the process needed to have our earnest money
22 returned.” The buyers were advised to reach out to their agent.

23 1.21 A Termination Agreement was signed by Paterson on November 13, 2023,
24 instructing the escrow agent to disburse the earnest money, in the amount of \$5,000.00, to the
25 seller. The Termination Agreement was not signed by the buyers.

26 1.22 In an email exchange between Wright and the buyers regarding their
27 counteroffer, dated November 20, 2023, Wright wrote “There is only ONE document and
28 envelope that was sent via DocuSign on the 10/21...” Wright continued, “What is attached, is
29 what was signed. Neither of us caught it at this time.”
30

1.23 A review of documents provided by Wright showed a Termination Agreement dated January 5, 2024, instructing the escrow agent to disburse the earnest money, in the amount of \$5,000.00, to the buyers. The agreement was not signed by Paterson.

(1) Conclusion of Law: By failing to ensure a counteroffer submitted to the seller fulfilled the buyer's direction that earnest money paid as part of the offer be refundable, as well as failing to notify the principals to the transaction when it was discovered that an incorrect counteroffer was submitted, Wright violated ORS 696.301(3) as it incorporates ORS 696.810(2)(a)(c)(3)(a)(c) 2023 Edition.

1.24 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.

(2) Conclusion of Law: Based on the foregoing, Wright is subject to discipline under ORS 696.301(12) and (15) (2023 Edition)

2.

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

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

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

3.

STIPULATION AND WAIVER

I, Samantha Wright, 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 Samantha Wright's broker license be, and hereby is reprimanded.

IT IS SO STIPULATED:

IT IS SO ORDERED:

DocuSigned by:
Samantha Wright

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SAMANTHA WRIGHT

Date 6/15/2025 | 7:49 AM PDT

Signed by:
Steve Strode

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STEVEN STRODE

Real Estate Commissioner

Date 6/17/2025 | 8:39 AM PDT

Date of Service: 6/17/2025



**REAL ESTATE BOARD
REGULATION DIVISION REPORT
August 4th, 2025**

Regulation Division Manager: Elli Kataura

Compliance Specialist 3 (Senior Case Analyst): Meghan Lewis

Financial Investigators (Investigator-Auditors): Lindsey Nunes, Cidia Nañez, Frank Leonard, Dylan Ray,
Megan Donovan

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

Aaron Grimes is now working at another State Agency.

Workload and Activity Indicators

<u>Average # in this status at the time</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Current 7/22/25</u>
Complaint	33	13	16		
Investigation	46	28	41		
(# of Investigators)	7	7	6*	6*	5
Admin Review	14	2	2		
Settlement Process	9	2	4		

* We had an investigator that was on extended leave for the majority of 2022-2023.

**REAL ESTATE BOARD
COMPLIANCE DIVISION REPORT
August 4, 2025**

Compliance Division Manager: Liz Hayes
Compliance Specialist 2: Jen Wetherbee
Compliance Specialist 1: Rick Marsland, Helen Wilson, Katie Nash
Senior Auditor (Escrow): Roger McComas

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.

Presentation

The Agency is now hosting the Property Management and Reconciliation Requirements course. The course is free of charge and licensees will earn 2.5 hours of continuing education credit upon completion. August 20th class is full, and the November 19th class is filling up fast. Additional classes are scheduled for February 18, 2026, and May 13, 2026.

Updates

In June, the Agency reviewed 2024 year-end financial and annual reports for 89 Escrow companies of those, 84 successfully renewed their license. Roger McComas has been leading the efforts to streamline the process, and with support from Tami Schemmel in the Licensing and Education Division, the process was completed smoothly and efficiently.

Since transitioning the processing of certain reprimands out of the Compliance Division, we have successfully completed one case, two more have stipulated, and one is pending.

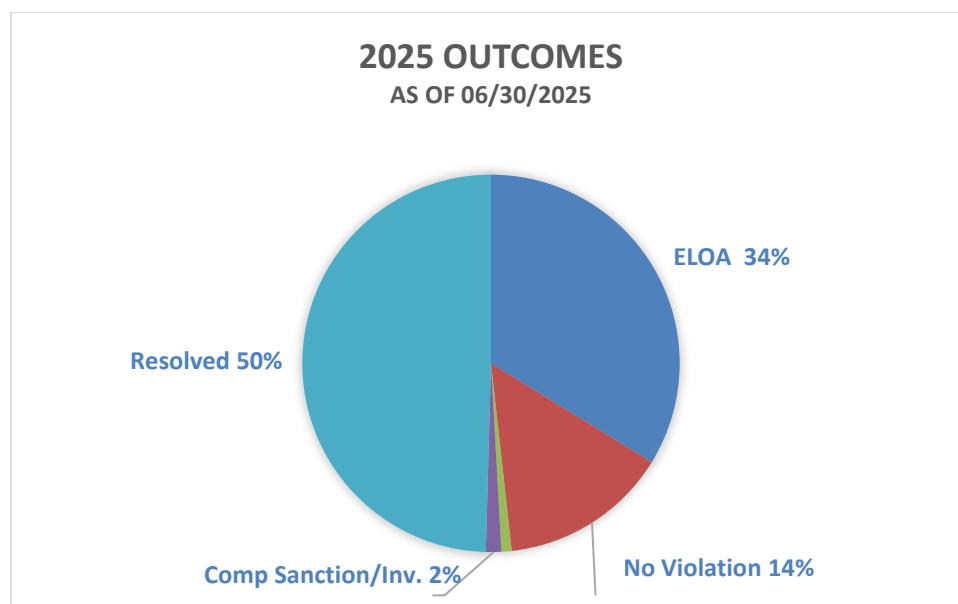
Reminder: The Agency has started developing the 2026-2027 LARRC outline.

Workload and Activity Indicators

As of 06/30/2025	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
ELOA	3	2	2	4	44	79	81	13	55	101	141	77
No Violation	351	356	192	172	375	216	87	10	98	94	89	33
Investigation	14	5	3	8	10	29	7	2	13	20	23	2
Compliance Sanction												3
Resolved									72	182	216	113
Reviews Closed	368	363	197	184	429	324	175	25	238	397	469	228

(# of Staff)	3	4	4	5	6	6	1	1-2	2-4	3-4	3-4	4
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Through 06/30/2025	Jan	Feb	Mar	Apr	May	June
ELOA	10	10	4	18	21	14
No Violation	10	3	5	5	7	3
Investigation				2		
Compliance Sanction				1	1	1
Resolved	13	17	14	24	20	25
Total Closed	33	30	23	50	49	43



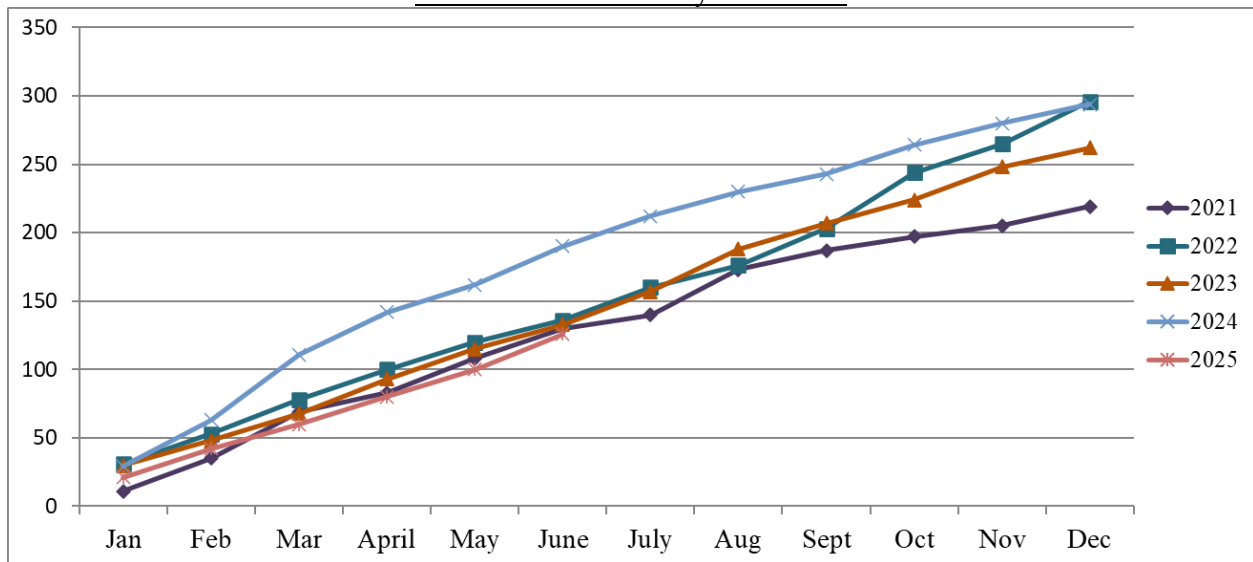
Report to the Real Estate Board Land Development Division August 4th, 2025

Division Manager: Michael Hanifin

Division 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 126 filings through end of June 2025. This filing volume is roughly on par with what we saw through the same timeframe for 2021 through 2023, with 2024 being an outlier at 190 filings thru end of June. The average number of filings thus far this year is 21, which is also on par with the statistical average of 2010 through 2024.

Rulemaking:

The agency is currently engaged in rulemaking related primarily to the passage of HB 2373 and HB 3137.

Legislative Activity:

The 2025 Regular Session is complete.

Enrolled Bills:

HB 2373 Prohibits selling or offering for sale a timeshare without a license.

HB 3137 Modifies laws related to regulation of real estate professionals. Introduces Managing Principle Broker designation.

HB 2134 Allows tenant to terminate a tenancy during the fixed term without penalty upon 30 days' notice if the landlord delivers certain notices terminating the tenancy in 90 days or more.

HB 2658 Prohibits a municipality from requiring in, or as a condition of obtaining, a construction permit to renovate or otherwise alter an existing building that the construction permit holder install a frontage improvement if the alteration does not increase the building's square footage or footprint, if the cost of the alteration does not exceed a specified amount and if existing or proposed uses for the building do not change the occupancy classification group that applied to the building.

HB 3378 Requires residential landlords to offer a method of accessing the dwelling unit other than software on tenant-owned phones or other electronic devices for the dwelling to be considered habitable.

SB 586 Allows a landlord to pay a tenant one month's rent to reduce from 90 to 60 days the termination notice period that a landlord must give the tenant when selling the dwelling unit to buyers who intend to reside in the unit.

HB 3144 Prohibits new recorded instruments or governing documents of a planned community from banning the siting of manufactured dwellings or prefabricated structures.

HB 3521 Requires residential landlords to pay a minimum amount of damages for breaching an agreement to later execute a rental agreement of a habitable dwelling unit in exchange for holding a deposit, unless the deposit is returned within five business days or repayment is excused based on an act of God.

HB 3522 Allows an owner or landlord to evict a squatter.

SB 599 Prohibits landlords from inquiring about or discriminating on the basis of a tenant's or applicant's immigration or citizenship status, rejecting an applicant Prohibits landlords from inquiring about or discriminating on the basis of a tenant's or applicant's immigration or citizenship status, rejecting an applicant [*<i>due to immigration status.*

SB 974 Requires local governments or special districts to complete final review of final engineering plans for residential development within 120 days of submission.

**REAL ESTATE BOARD
LICENSING DIVISION REPORT
August 4, 2025**

Licensing Manager: Nenah Darville

Compliance Specialist: Tami Schemmel, Kaely Salem

Administrative Specialist: Elizabeth Hardwick, Cory King, Reagan Van Dorp, Sunny Deanda.

Division Overview

The Licensing Division acts as the first point of contact for the public and licensees. This division manages reception, licensing related services, general public inquiry and complaint intake and processing

Personnel

No updates at this time

Licensing Update

The most recent data available for division performance is as follows:

Average Call Hold Time for the month of June- 26 seconds

New complaints filed in the month of June – 59 new complaint submittals

Average Days Processing complaints for month June – 6 days

Customer Service Overall Rating - 96% (January 1, 2025 – June 30, 2025)

RBN Renewal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<u>Eligible to Renew</u>	397	339	332	320	320	254						
<u>Failed to Renew</u>	14	16	15	11	14	10						
<u>% Renewed</u>	96%	95%	95%	97%	96%	96%						

Licensing Statistics

Total Licensee Counts by Month:

Individuals (Persons)	May-25	Jun-25
Broker – Total	16,847	16,773
Active	15,125	15,099
Inactive	1,722	1,674
Principal Broker - Total	6,038	6,039
Active	5,627	5,632
Inactive	411	407
ALL BROKERS Total	22,885	22,812
Active	20,752	20,731
Inactive	2,133	2,081
Property Manager - Total	1,045	1,041
Active	931	930
Inactive	114	111
MCC Salesperson	13	12
MCC Broker	0	0
TOTAL INDIVIDUALS	23,943	23,865
Active	21,696	21,673
Inactive	2,247	2,192
Facilities (Companies)		
REMO	4	3
Registered Business Name (RBN)	3,694	3,697
Registered Branch Office (RBO)	727	733
Escrow Organization	88	87
Escrow Branch	191	186
Unit Owners Association	798	788
Pre-License Education Provider (PEP)	25	23
CEP	279	281
MCC Operator	25	25
TOTAL FACILITIES	5,831	5,823
TOTAL INDIVIDUALS & FACILITIES	29,774	29,688

New Licenses by Month:

Individuals (Persons)	May-25	Jun-25
Broker	136	80
Principal Broker	5	13
TOTAL BROKERS	141	93
Property Manager	10	9
MCC Salesperson	0	0
MCC Broker	0	0
TOTAL INDIVIDUALS	151	102
Facilities (Companies)		
Continuing Education Provider (CEP)	0	2
REMO	0	0
Registered Business Name	16	33
Registered Branch Office	2	12
Escrow Organization	1	1
Escrow Branch	0	2
Unit Owners Association	9	8
Pre-License Ed Provider	0	0
MCC Operator	0	0
TOTAL FACILITIES	28	58
TOTAL INDIVIDUALS & FACILITIES	179	160

Exam Statistics*June 2025**ALL LICENSING EXAMS* Total

Broker	320
Property Manager	25
Principal Broker	34
Reactivation	16

Pass Rates

<i><u>First Time Pass Rate</u></i> <i><u>Percentage</u></i>	<i><u>2021</u></i>	<i><u>2022</u></i>	<i><u>2023</u></i>	<i><u>2024</u></i>	<i><u>2025</u></i>
Broker State	47	44	42	44	46
Broker National	67	66	64	62	62
Principal Broker State	57	54	47	51	42
Principal Broker National	55	65	54	71	76
Property Manager	66	65	63	60	57

Oregon Real Estate Agency Education & Licensing Division
Licensee Application & Renewal 2025 Data

<u>New Applications</u>													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<u>Brokers</u>	245	195	221	199	188	211							1259
<u>Principal Brokers</u>	25	25	26	10	12	17							115
<u>Property Managers</u>	27	30	35	24	34	28							178
<u>Total</u>	297	250	282	233	234	256							1552

Renewal Activity														
Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	463	505	558	502	534	532							3094
	Inactive	30	30	29	23	31	28							171
Late	Active	73	50	44	57	54	50							328
	Inactive	6	11	21	7	7	12							64
Lapse		140	150	168	122	167	162							909
Total		712	746	820	711	793	784							4566

<u>Principal Brokers</u>		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	194	174	199	229	205	236							1237
	Inactive	13	8	9	9	7	10							56
Late	Active	13	9	8	9	7	6							52
	Inactive	2	2	2	3	0	1							10
Lapse		24	23	32	29	26	23							157
<u>Total</u>		246	216	250	279	245	276							1512

Oregon Real Estate Agency Education & Licensing Division
Licensee Application & Renewal 2025 Data

Property Managers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	44	34	39	30	40	33							220
	Inactive	1	1	1	2	4	1							10
Late	Active	5	1	3	0	1	0							10
	Inactive	0	0	2	0	0	1							3
Lapse		4	6	10	5	9	5							39
Total		54	42	55	37	54	40							282

Grand Total (Brokers, Principal Brokers, Property Managers)														
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Eligible to Renew		1012	1004	1125	1027	1092	1100							6360
On Time	Active	701	713	796	761	779	801							4551
	Inactive	44	39	39	34	42	39							237
Late	Active	91	60	55	66	62	56							390
	Inactive	8	13	25	10	7	14							77
Total Renewed		844	825	915	871	890	910							5255
Lapse		168	179	210	156	202	190							1105

% On Time		73.6%	74.9%	74.2%	77.4%	75.2%	76.4%	%	%	%	%	%	%	75.3%
% Late		9.8%	7.3%	7.1%	7.4%	6.3%	6.4%	%	%	%	%	%	%	7.3%
% Failed to Renew (Lapsed)		16.6%	17.8%	18.7%	15.2%	18.5%	17.3%	%	%	%	%	%	%	17.4%
Total		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 2024 Data

New Applications													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Brokers	219	204	217	176	197	181	159	171	173	156	171	164	2188
Principal Brokers	29	24	23	19	21	18	21	24	17	23	12	16	247
Property Managers	28	23	24	23	28	27	18	25	29	28	17	21	291
Total	276	251	264	218	246	226	198	220	219	207	200	201	2726

Renewal Activity														
Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	519	498	533	555	584	550	534	528	554	568	445	505	6373
	Inactive	43	37	23	32	43	31	38	36	44	39	26	41	433
Late	Active	48	34	41	50	57	54	55	55	56	61	57	61	629
	Inactive	27	11	6	12	4	12	11	14	15	19	5	15	151
Lapse		144	126	140	141	135	135	141	149	139	113	127	145	1635
Total		781	706	743	790	823	782	779	782	808	800	660	767	9221

Principal Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	213	235	230	223	230	242	203	214	247	221	197	202	2657
	Inactive	13	14	10	9	19	15	12	10	7	7	11	12	139
Late	Active	8	9	5	12	10	6	7	6	13	10	7	8	101
	Inactive	3	4	1	2	1	3	2	4	1	3	2	6	32
Lapse		32	26	29	14	28	23	28	23	16	23	28	27	297
Total		269	288	275	260	288	289	252	257	284	264	245	255	3226

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

<u>Property Managers</u>		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>Total</u>
On Time	Active	31	28	26	22	40	28	32	31	37	27	22	28	352
	Inactive	1	2	2	0	4	1	2	1	1	1	3	3	21
Late	Active	3	2	4	2	1	1	1	1	0	0	1	1	17
	Inactive	0	1	1	1	0	1	1	0	0	1	0	0	6
Lapse		11	10	5	10	5	13	11	10	8	11	7	6	107
<u>Total</u>		46	43	38	35	50	44	47	43	46	40	33	38	503

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		1096	1037	1056	1085	1161	1115	1078	1082	1138	1104	938	1060	12950
On Time	Active	763	761	789	800	854	820	769	773	838	816	664	735	9382
	Inactive	57	53	35	41	66	47	52	47	52	47	40	56	593
Late	Active	59	45	50	64	68	61	63	62	69	71	65	70	747
	Inactive	30	16	8	15	5	16	14	18	16	23	7	21	189
Total Renewed		909	875	882	920	993	944	898	900	975	957	776	882	10911
Lapse		187	162	174	165	168	171	180	182	163	147	162	178	2039

<u>% On Time</u>		74.8%	78.5%	78.0%	77.5%	79.2%	77.8%	76.2%	75.8%	78.2%	78.2%	75.1%	74.6%	77.0%
% Late		8.1%	5.9%	5.5%	7.3%	6.3%	6.9%	7.1%	7.4%	7.5%	8.5%	7.7%	8.6%	7.2%
<u>% Failed to Renew</u> (Lapsed)		17.1%	15.6%	16.5%	15.2%	14.5%	15.3%	16.7%	16.8%	14.3%	13.3%	17.3%	16.8%	15.7%
<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%

<u>Oregon Real Estate Agency Education & Licensing Division Phone Counts</u>													
(Minutes: seconds)	Jan – 25	Feb – 25	Mar – 25	Apr – 25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov--25	Dec-25	2025 Average
Call Count	1471	1181	1348	1273	1114	1275							1277
Average Wait Time	:52	:45	:58	:29	:21	:25							:38
Maximum Wait Time	0:13:31	0:11:02	0:13:38	0:24:10	0:09:01	0:17:45							0:14:51

<u>Oregon Real Estate Agency Education & Licensing Division Phone Counts</u>													
(Minutes: seconds)	Jan – 24	Feb – 24	Mar – 24	Apr – 24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov--24	Dec-24	2024 Average
Call Count	1588	1447	1509	1471	1415	1138	1252	1205	1232	1279	897	1213	1304
Average Wait Time	:30	:42	:45	:32	:25	:29	:27	:40	:33	:55	:55	:55	:39
Maximum Wait Time	0:09:48	0:12:50	0:11:01	0:10:00	0:13:36	0:13:28	0:20:09	0:13:37	0:10:11	0:17:29	0:16:03	0:18:31	0:13:54

<u>Oregon Real Estate Agency Education & Licensing Division Phone Counts</u>													
(Minutes: seconds)	Jan – 23	Feb – 23	Mar – 23	Apr – 23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov--23	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

<u>Oregon Real Estate Agency Education & Licensing Division Phone Counts</u>													
(Minutes: seconds)	Jan – 22	Feb – 22	Mar – 22	Apr – 22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov--22	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

**REAL ESTATE BOARD
ADMINISTRATIVE SERVICES DIVISION REPORT
August 4, 2025**

Business & Human Resources Services Manager: Reba Dunnington
Program Analyst: Rus Putintsev
Accountant: Caty Karayel

Section Overview

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

Personnel

The Administrative Services team has gone through some structural changes since our last meeting. Effective 8/1/2025, the Agency has transitioned our IT support from internal to DAS IT shared services. This transition has impacted our 2 internal IT staff that worked in the Administrative Division, subsequently these employees were provided with layoff notices. The decision to transition to DAS IT shared will realize a \$509,684 net savings in the 2025-2027 biennium and similarly each biennium moving forward and is consistent with IT support for other agencies of a similar size.

eLicense Replacement Project

Division staff continue to provide support to the eLicense replacement project through project coordination, configuration feedback and user acceptance testing.

Accounting Update

The division is performing an ongoing review of internal accounting policies to ensure compliance with the Oregon Accounting Manual. This project is anticipated to be completed by the end of fiscal year 2026 (June 30, 2026).

As of June 2025, projected revenue for the 2023-2025 biennium is **\$10.9 million**. Projected expenses are **\$11.6 million** and **8.29%** under the expenditure limitation granted in the Legislative Budget of \$12.7 million. Two million in expenditure limitation is reserved for payment of the eLicense replacement system in the 2025-2027 biennium. The anticipated ending cash balance is **\$4.1 million** and represents approximately seven months of operating expenses.

Real Estate Agency - AY25

2023-2025 Budget - Biennium to Date Through June 30th 2025

Budget Codes (ORBITS)		23-2025 LAB	Expected Total Expenditures for Biennium (current)	Expected Remaining Limitation at end of Biennium	Percentage
	Total Personal Services	9,391,241	8,803,030	588,211	6.26%
4100 & 4125	In-State Travel & Out-of-State Travel	107,334	49,919	57,415	53.49%
4150	Employee Training	40,206	55,540	(15,334)	-38.14%
4175	Office Expenses	58,989	23,704	35,285	59.82%
4200	Telecom/Tech Services & Support	70,231	70,335	(104)	-0.15%
4225	State Government Services	646,658	488,153	158,505	24.51%
4250	Data Processing	118,785	73,606	45,179	38.03%
4275	Publicity & Publications	39,905	60	39,845	99.85%
4300 & 4315	Professional Services & IT Professional Services	378,671	351,969	26,702	7.05%
4325	Attorney General Legal Fees	365,688	164,737	200,951	54.95%
4375	Employee Recruitment	8,420	0	8,420	100.00%
4400	Dues & Subscriptions	10,406	17,706	(7,300)	-70.15%
4425	Facilities Rent & Taxes	276,712	265,641	11,071	4.00%
4475	Facilities Maintenance	4,911	14,556	(9,645)	-196.40%
4575	Agency Program Related S&S	982,084	982,315	(231)	-0.02%
4650	Other Services & Supplies	4,269	179,577	(175,308)	-4106.53%
4700	Expendable Property \$250-\$5000	31,678	13,658	18,020	56.88%
4715	IT Expendable Property	155,803	85,768	70,035	44.95%
	Total Services & Supplies	3,300,750	2,837,245	463,505	14.04%
5550	Data Processing Software			0	#DIV/0!
	Total Capital Outlay			0	#DIV/0!
	Totals	12,691,991	11,640,275	1,051,716	8.29%

Total Number of Exams: Brokers, Principal Brokers, Property Manager Exams by Month

By Month	January	February	March	April	May	June	July	August	September	October	November	December	Total
2015	332	342	424	379	386	442	382	372	367	383	327	345	4,481
2016	426	476	552	559	483	638	464	402	501	421	372	439	5,733
2017	480	518	577	555	534	531	481	471	446	423	374	484	5,874
2018	533	465	575	574	562	580	531	524	458	471	361	388	6,022
2019	497	451	567	554	544	582	454	437	409	441	334	368	5,638
2020	505	433	333	45	335	522	622	617	645	691	577	647	5,972
2021	733	708	822	747	662	680	632	608	593	552	494	570	7,801
2022	658	634	745	733	617	538	521	514	503	464	412	449	6,788
2023	450	474	508	520	456	528	509	505	403	462	358	374	5,547
2024	382	457	520	456	427	448	419	413	329	307	300	321	4,779
2025	394	350	418	453	453	379							2,447
YTD	January	February	March	April	May	June	July	August	September	October	November	December	
2015	332	674	1,098	1,477	1,863	2,305	2,687	3,059	3,426	3,809	4,136	4,481	
2016	426	902	1,454	2,013	2,496	3,134	3,598	4,000	4,501	4,922	5,294	5,733	
2017	480	998	1,575	2,130	2,664	3,195	3,676	4,147	4,593	5,016	5,390	5,874	
2018	533	998	1,573	2,147	2,709	3,289	3,820	4,344	4,802	5,273	5,634	6,022	
2019	497	948	1,515	2,069	2,613	3,195	3,649	4,086	4,495	4,936	5,270	5,638	
2020	505	938	1,271	1,316	1,651	2,173	2,795	3,412	4,057	4,748	5,325	5,972	
2021	733	1,441	2,263	3,010	3,672	4,352	4,984	5,592	6,185	6,737	7,231	7,801	
2022	658	1,292	2,037	2,770	3,387	3,925	4,446	4,960	5,463	5,927	6,339	6,788	
2023	450	924	1,432	1,952	2,408	2,936	3,445	3,950	4,353	4,815	5,173	5,547	
2024	382	839	1,359	1,815	2,242	2,690	3,109	3,522	3,851	4,158	4,458	4,779	
2025	394	744	1,162	1,615	2,068	2,447							

**REAL ESTATE BOARD
COMMUNICATIONS/DEI REPORT
August 4, 2025**

Communications, Policy, and DEI Director: Mesheal Tracy

Section Overview

This section is responsible for developing and implementing agency-wide Diversity, Equity, Inclusion, and Belonging (DEIB) initiatives, managing external communications, and leading change management processes. It encompasses media relations, community engagement, policy development, and strategic planning to foster an inclusive culture and effectively communicate the agency's mission and programs to diverse stakeholders. Our work directly supports Objective 2 of the Agency's strategic plan: Reduce Barriers to Licensure & Increase Public Engagement through DEI Initiatives.

DEI Initiatives

We continue to maintain active participation in the statewide Affirmative Action Representatives meetings (bi-monthly) and DEI Leaders meetings (quarterly) to stay current on state and federal initiatives, including upcoming digital accessibility requirements and data equity standards. This engagement provides learning opportunities that will inform our future DEI work.

In addition to our ongoing statewide engagement, agency staff were given the opportunity in July to attend a weekly webinar series sponsored by the Oregon Department of Human Services to celebrate the 35th anniversary of the Americans with Disabilities Act. Topics included equal access employment and disability policy changes in Oregon.

Communication Strategy

We are implementing our communication timeline for House Bills 3731 and 2373. HB 3731 creates a new "managing principal broker" license, while HB 2373 establishes a lower-barrier timeshare sales agent license.

Once we complete the draft administrative rules through the rulemaking process, we will finalize a comprehensive communication plan to guide our implementation efforts. It will include targeted outreach to pre-license and continuing education providers, current licensees, and potential licensees, along with website updates to reflect the new licensing requirements.

Changes to the website will be coordinated with the scheduled migration of our website platform from SharePoint 2016 to SharePoint SE. This migration will necessitate a website freeze from October 3-28, as well as user acceptance testing of our website on the new platform.

Policy Development

Based on feedback from the Governor's Office, we will be making small revisions to our state-required policies related to immigration. We are developing an AI Use Policy for staff in response to the rapid emergence and widespread availability of artificial intelligence tools. This policy will establish clear guidelines for staff use of AI technologies while ensuring appropriate protections for personal data, sensitive state information, and data security.

Both policy updates will be communicated to staff through division meetings and the employee newsletter to ensure consistent understanding and implementation across the agency.