



# Oregon

Kate Brown, Governor

## Real Estate Agency

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## OREGON REAL ESTATE BOARD

### Regular Meeting Minutes

Oregon Real Estate Agency

530 Center St. NE Suite 100

Salem, Oregon 97301

Monday, June 3, 2019

#### **BOARD MEMBERS PRESENT:** Jef Farley, Chair

Debra Gisriel  
Susan Glen  
Jose Gonzalez  
Dave Hamilton  
Lawnae Hunter  
Dave Koch  
Pat Ihnat  
Alex MacLean

#### **OREA STAFF PRESENT:**

Steve Strode, Commissioner  
Selina Barnes, Regulations Division Manager  
Maddy Alvarado, Customer Service Manager  
Michael Hanifan, Land Development Manager  
Mesheal Heyman, Communication Coordinator

#### **GUESTS PRESENT:**

Barbara Geyer, Barbara Geyer Real Estate  
Ruth Howard, RE/MAX Equity Group  
Jonathon Keith, PLUS Property Management  
Stacey Krys-Harrison, A1 Superior Schools  
Kayla Lowery, Oregon Association of Realtors  
Lane Mueller, Wise Move Real Estate  
Jenny Pakula, Oregon Association of Realtors  
Laurie Thiel, RE/MAX Equity Group

#### **I. BOARD BUSINESS – Chair Farley**

- A. Call to Order. Chair Farley called the meeting to order at 10 a.m.
- B. Chair Farley comments / Roll Call.
  1. Chair Farley explained the role and function of the Board.
  2. Chair Farley asked the Board and members of audience to introduce themselves.
  3. Chair Farley asked the Board liaison to take roll call.
- C. Approval of Agenda and Order of Business

**MOTION TO APPROVE AGENDA AND ORDER OF BUSINESS BY DEBRA GISRIEL**

**SECONDED BY JOSE GONZALEZ**

**MOTION CARRIED BY UNANIMOUS VOTE**

- D. Approval of 6.3.19 regular meeting minutes

**MOTION TO APPROVE 6.3.19 REGULAR MEETING MINUTES WITH AMENDMENT TO ADD STEVE STRODE AS PRESENT AT THE MEETING. BY DEBRA GISRIEL**

**SECONDED BY DAVE HAMILTON**

**MOTION CARRIED BY UNANIMOUS VOTE**

- E. Date of next meeting: 10.7.19, Astoria, OR, venue TBD, at 10 a.m.

#### **II. PUBLIC COMMENT – Chair Farley None**

#### **III. REQUESTS FOR WAIVERS – Chair Farley**

- A. 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 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 Howard's 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 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 timeline 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.

**MOTION TO APPROVE RUTH HOWARD'S REQUEST FOR WAIVER OF EXPERIENCE BY PAT IHNAT.  
SECONDED BY DEBRA GISRIEL.**

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.

**MOTION CARRIED BY UNANIMOUS VOTE.**

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

- A. Ashley Stefan appeared by phone for Old Republic Exchange Company. Pat Ihnat commented on Old Republic Title Company being a sister company in Portland Metro area. Dave Koch asked since it is an exchange company would classes be exchange-related. Ihnat asked who the instructor is, if they are and employee of the exchange company, and if classes would be live. Susan Glen asked about other classes and if they would offer classes besides 1031 exchange courses.

**MOTION TO APPROVE OLD REPUBLIC EXCHANGE COMPANY'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH.**

**SECOND BY LAWNAE HUNTER.**

**MOTION CARRIED BY UNANIMOUS VOTE.**

Debra Gisriel asked question about criteria for approval. Jef Farley responded it changes depending on board members, explained history and considerations. Gisriel commented historically seem market driven. Pat Ihnat said if course quality is poor, brokers will say so. Lawnae Hunter said she wrestled with this also. Agrees with Ihnat that it is self regulating. Steve Strobe commented we approve providers, not instructors. Will convene continuing education workgroup later this year. Hunter said wants to be on workgroup and commented on other states requirements. Commented on requirement to be timed online for CE. Strobe said good conversations to have at workgroup. Jose Gonzalez commented if someone calls his office to teach, can tell right away if it is for marketing. Asked to keep in mind availability for small offices. Dave Koch said he inquires whether applicants understand record keeping requirements and if instructor is qualified. Ihnat said live instruction is so much better.

**V. NEW BUSINESS – Chair Farley. None**

**VI. REPORTS – Chair Farley**

- A. Commissioner Strobe

1. Proposed Revamp of Board Meetings. Steve Strobe discussed report in board packet. Asked for thoughts. Alex MacLean pointed out that public comment is limited, which doesn't take into consideration the Q & A that follows Board meetings. MacLean commented there is a different

interaction when in person rather than on video screen. Dave Hamilton commented have a larger crowd when meetings are out on the road, and interaction of Board members if meeting in person. Lawnae Hunter is ambivalent; she uses Zoom for another board, which she found more interactive than she expected. Hunter suggested perhaps a hybrid solution. Dave Koch commented on effectiveness of CE in person vs online, but for workgroups it could be effective. Koch thinks Board meetings with travel is very beneficial for Board members and the people that attend, and points out this is licensee's dollars. Strode commented that Agency hasn't been forced to do this, if Board meetings are online it could replace human contact with something else. Strode suggested a hybrid option – perhaps meet in person once a year. Hunter suggested start trying by using for committee meetings. Maddy Alvarado explained possible meeting product (Adobe Connect). Koch says that report was well prepared. Koch said during in-person meetings he is very willing to speak up during discussions, but at an online meeting he would not be as inclined to talk as much. Jose Gonzalez said it would be hard to be on statewide board without going out to hear from other communities. Susan Glen said as new member it would have been slower to learn if online, more difficult by conference call. Strode said that Board meetings would be potentially replaced with town hall-type meetings. Hunter thinks town hall meetings are important. Debra Gisriel spends most of day in virtual environment, feels the need to have balance with personal interaction. Gisriel would support a combination of virtual and in person. Hunter doesn't want to give up personal connection, but likes the convenience of online. Strode speculated that the Board could have monthly meetings online, so that waiver applicants don't have to wait, then hold in person meetings less frequently. Pat Ihnat said that hybrid approach may give applicants choice of virtual or in person. Jef Farley commented rural areas have better attendance at board meetings. Strode said he is putting together a one-hour class called "Getting to Know Real Estate Agency." Hunter said in-person meetings are best during better weather months. Gisriel made distinction between Agency and OAR. Strode said the Agency will run numbers on a hybrid approach. Dave Hamilton said he'd take a look at, but still want to have some board meetings around the state. Ihnat pointed out that after away board meetings they get Selina's course. Strode will follow up at next meeting with a hybrid approach proposal.

2. Correspondence from Mr. Baker. Dave Koch stated that concepts of dual agency are not addressed well in education. Some states replace dual agency with transactional broker.

B. Agency Division Reports

1. Regulations Division - Selina Barnes.
  - a) Administrative Actions are now a part of the Regulations Division Report.
  - b) Sue Davenport has retired.
2. Land Development Division – Michael Hanifin
  - a) Running 210% of average volume of filings.
  - b) Provided legislative update.
3. Education, Licensing, and Administrative Services Division - Madeline Alvarado
  - a) Agency office construction update.
  - b) Clarified that correspondence courses are not allowed for continuing education.
  - c) Passed on a suggestion to include Fair Housing as an optional topic for LARRC.
  - d) Escrow financials were due on May 31. 55 of 62 sent them in.
  - e) Registered Business Name renewals – Licensing staff is still calling to remind businesses at the end of the month.
  - f) Clients' trust account reviews – Pulled 150 accounts to review in February. 30% found to be compliant upon initial review. 23% were missing documentation upon initial review/submission. 17% have commingled funds – most all were licensee funds used to open or keep an account open when the licensee does not have owners' funds. 13% found to have the accounts named improperly.
  - g) The broker pre-license course for the CE Shop will be approved upon notification from the Higher Education Coordinating Commission that it is licensed as a Private Career School.
  - h) Average phone call hold times are 24 seconds.
  - i) Addressing a question about background check clearance times, Oregon State Police is currently transitioning to a new system that has created a longer than normal clearance time: 14 business days vs. 3 business days last year.


VII. ANNOUNCEMENTS – Chair Farley

A. Next Board meeting: 8.5.19 in Hood River, OR, venue TBD, at 10 a.m.

VIII. ADJOURNMENT – Chair Farley

Respectfully Submitted,

  
STEVE STRODE, COMMISSIONER

  
JEF FARLEY, BOARD CHAIR