



# Oregon

Kate Brown, Governor

**AGENDA ITEM NO.  
I. C.**

**Real Estate Agency**  
The Equitable Center, Suite 100  
530 Center Street NE  
Salem, OR 97301-2505  
Phone: (503) 378-4170  
Regulations Fax: (503) 373-7153  
Admin. Fax: (503) 378-2491  
www.rea.state.or.us

**Notice of Agenda  
OREGON REAL ESTATE BOARD  
Regular Meeting Agenda**

**Monday, August 1, 2016  
Hamley Steakhouse  
8 S.E. Court Ave.  
Pendleton, OR 97801**

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

- I. BOARD BUSINESS – Vice-Chair Rathbone**
  - A. Call to Order
  - B. Vice-Chair Rathbone comments/Roll Call
  - C. Approval of the Agenda and Order of Business
  - D. Approval of 6.6.16, regular meeting minutes
  - E. Date of the Next Meeting: 10.3.16 to begin at 10am at the Oregon State Bar Conference Center, 16037 SW Upper Boones Ferry Rd., Tigard, OR 97224
- II. PUBLIC COMMENT – Vice-Chair Rathbone**
  - 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 – Vice-Chair Rathbone. Waiver request log. None.**
- IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Vice-Chair Rathbone - Approval of petition log. None.**
- V. NEW BUSINESS – Vice-Chair Rathbone**
- VI. COMMUNICATIONS – Administrative Actions Summary – Vice-Chair Rathbone**
- VII. REPORTS – Vice-Chair Rathbone**
  - A. Commissioner Gene Bentley
  - B. Agency division reports-Deputy Commissioner Dean Owens
    1. Regulation Division – Selina Barnes
    2. Land Development Division – Dean Owens
    3. Education, Business and Technical Services Division – Dean Owens
- VIII. ANNOUNCEMENTS – Vice-Chair Rathbone.** Next board meeting: 10.3.16 to begin at 10am at the Oregon State Bar Conference Center, 16037 SW Upper Boones Ferry Rd., Tigard, OR 97224
- IX. ADJOURNMENT – Vice-Chair Rathbone**

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



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## State of Oregon Real Estate Agency

### REAL ESTATE BOARD

#### Regular Meeting Minutes

June 6, 2016

**MEMBERS PRESENT:** Chris Hermanski, Chair  
Alex MacLean  
Marcia Edwards  
Pat Ihnat  
Lawnae Hunter  
Jef Farley

**MEMBERS ABSENT:** Coni Rathbone, Vice-chair  
Dave Koch  
Joann Hansen

**STAFF PRESENT:** Gene Bentley, Commissioner  
Dean Owens, Deputy Commissioner  
Selina Barnes, Regulations Division Manager  
Leandra Hagedorn, Board Liaison

**GUESTS PRESENT:** Hazel Callahan, Fred Real Estate Group  
Laurie Combs, RE/MAX Key Properties  
Delita Cordes, D & D Realty Group LLC  
Brian Fratze, Fratze Commercial R.E. Advisory  
Russell Kirk, Coldwell Banker Morris Real Estate  
Barbara McFarlane, The Hasson Company  
Earl Miner, Miner's & Associates Real Estate  
Natalka Palmer, Coldwell Banker Morris Real Estate  
Brian Purnell, Windermere Bridgeport Realty Group  
Michelle Rogers  
Carlos Smith, John L. Scott Central Oregon Redmond  
Mara Stein, Pamir Properties Inc.  
John Stone, Bend Premier Real Estate LLC  
Cheryl Tanler, Windermere Central Oregon Real Estate Redmond  
Marlyn Weaver, Willamette West Real Estate  
Ellie Webb, Columbia River Properties

#### I. BOARD BUSINESS-Chair Hermanski

- A. **Call to Order.** Chair Hermanski called the meeting to order at 10am.
- B. **Roll Call/Chair Hermanski comments.** Chair Hermanski explained the function/role of the board, asked board members to introduce themselves, and the board liaison to conduct roll call.
- C. **Approval of the Agenda and Order of Business.** The Agenda and Order of Business were approved as submitted.

**MOTION TO APPROVE THE AGENDA AND ORDER OF BUSINESS BY MARICA EDWARDS  
SECOND BY JEF FARLEY**

- D. Approval of the 4.4.16, regular meeting minutes.** The 4.4.16 regular meeting minutes were approved as submitted.

**MOTION TO APPROVED 4.4.16 REGULAR MEETING MINUTES BY PAT IHNAT**

**SECOND BY JEF FARLEY**

**MOTION CARRIED BY UNANIMOUS VOTE**

- E. Date of Next Meeting:** 8.1.16 at Hamley Steakhouse, 8 S.E. Court Ave., Pendleton, OR 97801

**PUBLIC COMMENT-Chair Hermanski.** None.

- **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.**

**II. REQUESTS FOR WAIVER-Chair Hermanski. Waiver Request Log.**

- A. William Patten requests experience waiver for principal broker's license.** Mr. Patten explained that he purchased his firm as a broker two years ago and hired a principal broker to supervise who has since left the firm and he is having difficulty finding another principal broker for hire. He also explained that he only has 4 months remaining to fulfill the 3 year experience requirement and has 25 years of experience in managing leases.

**MOTION TO APPROVE WILLIAM PATTEN'S REQUEST FOR EXPERIENCE WAIVER FOR PRINCIPAL BROKER'S LICENSE BY MARCIA EDWARDS**

**SECOND BY PAT IHNAT**

**MOTION CARRIED BY UNANIMOUS VOTE**

**III. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER – Approval of petition log.**

- A. Kenneth Holman will appear by phone.** Mr. Holman withdrew his petition and indicated his intention to re-petition the board as a trade association at a later date.
- B. CMPS Institute (Gibran Nicholas & Julianna Nicholas) appearing by phone –** Chair Hermanski asked CMPS to summarize the basis of their petition. Gibran Nicholas explained that CMPS Institute has provided education across the country and is approved in 10 states to provide CE to real estate agents. Mr. Nicholas also explained CMPS Institute offers the following acceptable course topics: advertising; regulation; consumer protection; real estate taxation; and finance. Chair Hermanski asked if they were familiar with the record keeping requirements and Ms. Nicholas responded that they are familiar with the record keeping requirements.

**MOTION TO APPROVE CMPS INSTITUTE'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY MARCIA EDWARDS**

**SECOND BY LAWNAE HUNTER**

**MOTION CARRIED BY UNANIMOUS VOTE**

**IV. BOARD ADVICE/ACTION-Commissioner Bentley.** None.

**V. NEW BUSINESS-Chair Hermanski.** None.

**VI. COMMUNICATIONS-Chair Hermanski-Administrative Actions Summary.** Discussion: Marcia Edward asked Selina Barnes to speak to how Agency investigates the online accusations. Ms. Barnes responded that the Agency does not have the expertise to track down details but works with law enforcement.

**VII. REPORTS**

- A. Commissioner Gene Bentley.**

- ARELLO Mid Annual Conference was held in Atlanta in April
  - Arkansas has legislation to eliminate licensing requirement
  - Arizona has similar CE reporting process as Oregon
  - General consensus is that real estate activity is up significantly since 2007
- Summary of licensing counts
- Agency review of ORS 696 review has resulted in a majority of house-keeping issues. Specifically the OREA licensing fee and Land Development fee increases effective July 1, 2017 (20 years since last fee increase)
- Compliance Review may result in a self-study process
- CTA manual is being developed as an educational tool (Agency has initiated Court-Appointed receiverships to resolve embezzlement of funds)
- Appreciation and thanks to Mesheal Heyman, the Agency's Communications Coordinator, for her role in developing the new Agency website

**B. Agency Division reports/Deputy Commissioner Dean Owens (reports included in packet)**

- **Regulation Division-Selina Barnes.** Ms. Barnes summarized the statistics provided in the board packet. She also announced that Janae Beaver joined the Agency as an Administrative Specialist in the Regulations Division. Alex MacLean asked Ms. Barnes to explain the average of complaints and Ms. Barnes responded the statistics were on a weekly/monthly basis and the investigation process from beginning to end. Mr. MacLean also asked Ms. Barnes how many investigators were employed in the Regulations Division and she responded there were 7 investigators, 4 compliance specialists and 1 lead worker. She further explained that the compliance specialists handle CTA audits, background investigations, or issues with renewals.
- **Land Development Division-written report by Michael Hanifin.** Deputy Commissioner Owens explained that the Land Development Division was responsible for processing condominium filings, managing campgrounds, and timeshares. He also explained that the file review fee will be increased to \$200 effective July 1, 2017. Mr. Owens also summarized the information and statistics provided in the board packet.
- **Education, Business and Licensing Services Division-Dean Owens.** Deputy Commissioner Owens explained that the Business/Licensing Services Division is responsible for budget, payroll, licensing, IT, facility and administrative issues. He also reported that the Agency recently migrated to a new phone system which allow calls to be directed to the next available representative rather than being placed on hold. Mr. Owens also summarized the statistics provided in the board packet which included budget information. He also reported that the Education Division was doing business as usual and that the exam pass rates fluctuate and the Agency reached out to the industry for assistance in testing the new website.

**VIII. ANNOUNCEMENTS.** Next board meeting: 8.1.16 at Hamley Steakhouse, 8 SE Court Ave., Pendleton, OR 97801

**IX. ADJOURNMENT**

Respectfully submitted:

Respectfully submitted:

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GENE BENTLEY, COMMISSIONER

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CONI RATHBONE, VICE-CHAIR

ADMINISTRATIVE ACTIONS  
Reported  
May 21, 2016 through July 15, 2016

**REVOCATIONS**

**SUSPENSIONS**

Shivers, Nickolas (Tualatin) Principal Broker 200209063, Stipulated Order dated April 18, 2016 issuing a suspension of his license.

**REPRIMANDS**

King, Gordon (Salem) Principal Broker 921100135, Stipulated I Order dated June 13, 2016 issuing a reprimand with education.

Moody, Linda (Oakridge) Principal Broker 950100188, Stipulated Order dated June 14, 2016 issuing a reprimand.

Moore, Brayden (Corvallis) Property Manager 201205545, Stipulated Order dated June 14, 2016 issuing a reprimand with education.

**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

England-Beringer, Shannon (Bend) Broker 201209648, Stipulated Order dated June 14, 2016 issuing a civil penalty of \$100 for a late renewal.

Reece, Joshua (Veneta) Property Manager 201208572, Stipulated Order dated June 23, 2016 issuing a civil penalty of \$1,600 for a late renewal.

O'Neal, Debra (Oakridge) Property Manager 201110063, Default Order dated June 30, 2016 issuing a civil penalty of \$28,500 for unlicensed activity.

1 REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER  
3

4 In the Matter of the Real Estate License of  
5  
6 NICKOLAS SHIVERS

STIPULATED FINAL ORDER

7  
8  
9  
10 The Real Estate Agency (OREA) and Nickolas Shivers (Shivers) do hereby agree and  
11 stipulate to the following:

12 FINDINGS OF FACT  
13 &  
14 CONCLUSIONS OF LAW.

15 1.

16 1.1 At all times mentioned herein, Shivers was licensed as a principal broker with  
17 Keller Williams Realty, Portland Central. Shivers was the principal broker of WestOne  
18 Properties Group operating under Keller Williams Realty, Portland Central.

19 1.2 On August 7, 2015, OREA Commissioner Gene Bentley (Bentley) observed a  
20 sign advertising WestOne Properties Group, on a lot located on the corner of Jefferson  
21 Parkway and Cervantes in Lake Oswego, Oregon. On August 13, 2015, Bentley emailed the  
22 pictures to OREA Regulations Manager, Selina Barnes (Barnes). Included on the sign was the  
23 WestOne Properties Group name and logo, telephone number for WestOne Properties Group,  
24 and a link to Shivers' website. The sign did not identify Shivers and WestOne Properties  
25 Group as being associated with the registered business name, Keller Williams Realty, Portland  
26 Central. The WestOne Properties Group is not registered with OREA as a registered business  
27 name.

28 **Violation:** By allowing a directional sign to be placed in public advertising WestOne  
29 Property Group, without identifying the registered business name Keller Williams Realty,  
30 Portland Central, Shivers violated ORS 696.301(3) as it incorporates OAR 863-015-0125(2)(b)

1 (5-5-2014 Edition), which states advertising must be truthful and not deceptive or misleading.  
2 Additionally, Shivers violated OAR 863-015-0125(4) (5-5-2014 Edition), which requires the  
3 registered business name to be prominently displayed, immediately noticeable, and  
4 conspicuous in all advertising.

5 1.3 Shivers explained he did not put the signs out himself, but instead hired a sign  
6 company to handle the task. On January 14, 2016, Shivers stated he had gone to the sign  
7 company and removed all of his old signs out of inventory.

8 1.4 A review of Shivers' website, <http://nickshivers.com>, on December 11, 2015,  
9 identifies WestOne Properties as being Keller Williams #1 real estate team. On the website,  
10 Shivers failed to state that he is a licensee, licensed in the State of Oregon.

11 **Violation:** By publishing the website, [www.nickshivers.com](http://www.nickshivers.com), without stating that he was  
12 a licensee, licensed in the State of Oregon, Shivers violated ORS 696.301(3) as it incorporates  
13 OAR 863-015-0125(9)(c) (5-5-2014 Edition), which requires for electronic advertising, a  
14 statement that the licensee is licensed in the State of Oregon on the first page of the  
15 advertisement.

16 1.5 On Shivers' website, all the team members of WestOne Properties Group were  
17 listed. The website failed to clearly state which members of the team were Oregon licensees  
18 and which were not. Several of the members listed on the team were not licensed in the State  
19 of Oregon as real estate licensees.

20 **Violation:** By listing team members on the website, [www.nickshivers.com](http://www.nickshivers.com) and not  
21 clearly stating which members are licensed in the State of Oregon and which ones are not  
22 licensed, Shivers violated ORS 696.301(3) as it incorporates OAR 863-015-0125(11)(c) (5-5-  
23 2014 Edition), which states for team advertising, if any non-licensed individuals are named in  
24 the advertising, the advertising must clearly state which individuals are real estate licensees  
25 and which ones are not.

26 1.6 On the [www.nickshivers.com](http://www.nickshivers.com) website, Niko Rivera is advertised as a real estate  
27 broker. Niko Rivera is not licensed in Oregon as a broker.

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1           **Violation:** By listing Niko Rivera, an unlicensed individual as a real estate broker on  
2 [www.nickshivers.com](http://www.nickshivers.com), Shivers violated ORS 696.301(3) as it incorporates OAR 863-015-  
3 0125(2)(b) (5-5-2014 Edition), which states advertising must be truthful and not deceptive or  
4 misleading.

5           1.7    On January 5, 2016, a second website advertising WestOne Properties Group,  
6 <http://www.westonehomefinders.com>, was found by clicking a link on  
7 <http://www.nickshivers.com> to search all homes. The link would take the user to  
8 <http://www.westonehomefinders.com> which contained a link to find agents. The link for the  
9 agents was <http://www.westonehomefinders.com/agents>. This webpage listed members of the  
10 WestOne Properties Group team as "Agents." The list includes Heather Becker, Kevin  
11 Strasser, and Niko Rivera, all unlicensed individuals in Oregon.

12           1.8    In an email on January 14, 2016, Shivers stated he had removed the listing of his  
13 team members from [www.nickshivers.com](http://www.nickshivers.com). A review of [www.nickshivers.com](http://www.nickshivers.com) on January 15,  
14 2016, showed that the list of all the team members for WestOne Properties Group had been  
15 removed. A review of [www.westonehomefinders.com](http://www.westonehomefinders.com) on January 21, 2016, showed that  
16 Heather Becker and Niko Rivera were removed from the list of agents. However, Kevin  
17 Strasser was still on the list, and Dillon Triem had been added to the list and both individuals  
18 are unlicensed in Oregon.

19           **Violation:** By listing Heather Becker, Kevin Strasser, and Niko Rivera, all unlicensed  
20 individuals in Oregon, and later adding Dillon Triem as agents on  
21 [www.westonehomefinders.com](http://www.westonehomefinders.com), Shivers violated ORS 696.301(3) as it incorporates OAR 863-  
22 015-0125(2)(b) (5-5-2014 Edition), which states advertising must be truthful and not deceptive  
23 or misleading.

24           1.9    A copy of the WestOne Properties Group Facebook page, printed on August 13,  
25 2015, did not show Shivers' association with Keller Williams anywhere on the webpage.  
26 According to Shivers, the cover photo actually showed the Keller Williams registered business  
27 name on the lower portion of the sign, but that the picture got cut off. On January 14, 2016,  
28 the WestOne Properties Group Facebook page was reviewed again. The cover photo Shivers  
29 had referred to shows a WestOne Properties Group sign. At the bottom of the timeline, a  
30 complete picture including the Keller Williams logo did appear with the notation that WestOne



1 Properties Group had updated their cover photo on December 16, 2015.

2 **Violation:** By advertising on [www.facebook.com](http://www.facebook.com) under the name WestOne Properties  
3 Group and not including the registered business name, Keller Williams Realty, Portland  
4 Central, Shivers violated ORS 696.301(3) as it incorporates OAR 863-015-0125(4) (5-5-2014  
5 Edition), which requires the registered business name to be prominently displayed,  
6 immediately noticeable, and conspicuous in all advertising.

7 1.10 On January 8, 2015, several videos published by Shivers and posted on  
8 YouTube were reviewed. In the videos, Shivers identified himself as being with WestOne  
9 Properties Group. Shivers did not identify himself as being associated with Keller Williams  
10 Realty, Portland Central. Shivers explained that the videos he publishes are posted on his  
11 blog, <http://nickshivers.blogspot.com>. Shivers said the homepage for his blog does identify his  
12 association with Keller Williams Realty, Portland Central and he never considered that the  
13 videos could be accessed through links other than by his blog.

14 **Violation:** By advertising under the name WestOne Properties Group in internet videos  
15 without including the registered business name, Keller Williams Realty, Portland Central,  
16 Shivers violated ORS 696.301(3) as it incorporates OAR 863-015-0125(2)(b) (4-1-2013 Edition  
17 and 5-5-2014 Edition), which states advertising must be truthful and not deceptive or  
18 misleading. Additionally, Shivers violated ORS 696.301(3) as it incorporates OAR 863-015-  
19 0125(4) (5-5-2014 Edition), which requires the registered business name to be prominently  
20 displayed, immediately noticeable, and conspicuous in all advertising.

21 1.11 Shivers has received several administrative actions from OREA in the past. In  
22 November 2007, Shivers was issued a civil penalty for conducting professional real estate  
23 activity while his license was expired. In January 2010, Shivers received a reprimand. Lastly,  
24 in April 2010, Shivers' license was reprimanded again for several violations, including an  
25 advertising violation of OAR 863-0185-0125(2)(b), by using the name WestOne Properties  
26 LLC, without including the word, "team" or "group, when he was licensed with Keller Williams  
27 East Portland.

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2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301. Based on these violations a suspension is appropriate under ORS 696.396(2)(c)(D) According to ORS 696.396, OREA may suspend a real estate license if the material facts establish a violation of a ground for discipline under ORS 696.301 that repeats conduct or an act that is substantially similar to conduct or an act for which the real estate licensee was disciplined previously.

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

STIPULATION & WAIVER

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

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

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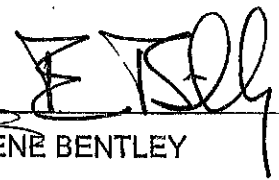
ORDER

IT IS HEREBY ORDERED that Shivers' principal broker license be suspended for 60 days. The suspension will be effective starting on December 1, 2016, and run consecutively through January 30, 2017.

IT IS SO STIPULATED:

IT IS SO ORDERED:





NICKOLAS SHIVERS

GENE BENTLEY

Real Estate Commissioner

Date 4-11-16

Date 4-18-16

Date of Service: 4/10/2016

1 REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER

3  
4 In the Matter of the Real Estate License of

5  
6 GORDON L. KING

7 )  
8 STIPULATED FINAL ORDER  
9

10 The Oregon Real Estate Agency (OREA) and Gordon L. King (King) do hereby agree  
11 and stipulate to the following:

12 FINDINGS OF FACT  
13 &  
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, King was licensed as a principal broker with  
17 Associated Properties, Inc.

18 1.2 On October 2, 2015, Sheri Terjeson (Terjeson) filed a complaint with OREA  
19 against King.

20 1.3 Terjeson hired King to manage her properties in 2008. King was recommended  
21 to Terjeson by her brother, Paul Terjeson, who was a broker working in King's office.

22 1.4 King ended up managing the following properties on behalf of Terjeson, 915 18<sup>th</sup>  
23 Street NE (18<sup>th</sup> Street Property), a 10 unit complex located at 1205 Oakhill SE, (Oakhill  
24 property), a 10 unit complex located at 420 Flying Squirrel Way (Flying Squirrel property), and  
25 an 11 unit complex at 127-177 Sunset Avenue (Sunset Avenue Property).

26 1.5 During the investigation Pierce asked King to provide a copy of the property  
27 management agreement for the 18<sup>th</sup> Street and Oakhill properties. At the time, King told  
28 Pierce there was no written property management agreements for the two properties. Later,  
29 during the settlement conference on April 1, 2016, King clarified he didn't remember that he  
30 had property management agreements for the two properties when Pierce asked him, but

1 later he recalled that he did indeed have the documents and was able to provide them to  
2 OREA.

3 **Violation:** By failing to produce the property management agreement for the 18<sup>th</sup> Street  
4 and Oakhill property during the investigation, King violated ORS 696.301(3) (2015 Edition) as it  
5 incorporates ORS 696.280(3) (2015 Edition), which states records maintained under this  
6 section must at all times be open for inspection by the Real Estate Commissioner or the  
7 commissioner's authorized representatives.

8 1.6 In her complaint, Terjeson alleged King mishandled the security deposits.

9 1.7 King told Pierce when he took over management of Terjeson's properties he  
10 never received any of the security deposits for the existing tenants from the previous property  
11 manager or from Terjeson. King said he had several conversations with Terjeson in regards to  
12 the security deposits and had requested them several times. King said he told Terjeson about  
13 setting up a liability account for the security deposits. King said his accountant had suggested  
14 setting up a liability account to list existing tenants' security deposits. When a tenant moved  
15 out and a refund of their security deposit was required, the check would be written out of the  
16 clients' trust account. King said the plan was for the liability account to be gradually offset by  
17 the profits generated by Terjeson's properties, but this never happened. King said he  
18 suggested to Terjeson that she sell one of the properties to replace the security deposits he  
19 never received. King said whenever Terjeson did sell a property she would use the proceeds  
20 to buy another, instead of using the money to offset the missing security deposits.

21 1.8 Terjeson was asked if she recalled any conversations with King regarding the  
22 need to set up a liability account on the owner's ledger to handle the owner liability for the  
23 security deposits being held. Terjeson replied she did not know anything about a liability  
24 account until Spencer Taylor (Taylor), her new property manager, questioned why no security  
25 deposits had been turned over by King. Terjeson said she had assumed King was holding the  
26 security deposits in a separate client trust account, but had recently learned otherwise from  
27 Taylor. Terjeson said Taylor explained to her the need to set up a liability account to keep  
28 track of the security deposits that needed to be funded by Terjeson.

29 ///

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1           1.9     Pierce asked King how he handled security deposits received from new tenants  
2 that moved in after he began managing Terjeson's properties. King said as new tenants  
3 moved in, their deposits were put into the clients' trust account designated for the property.

4           1.10    When Pierce reviewed King's clients' trust account records, the check registers  
5 showed that King was depositing tenant security deposits received from the tenants into the  
6 clients' trust account. The security deposits were not transferred out to a security deposits  
7 account, and were not disbursed to Terjeson directly.

8           1.11    In an email dated, March 24, 2015, King wrote Taylor, informing Taylor that King  
9 did not keep a separate bank account for security deposits.

10          **Violation:** By receiving security deposits and failing to deposit and maintain them in a  
11 security deposit trust account King violated: OAR 863-025-0030(1) (11-15-07), which states  
12 except as provided in OAR 863-025-0025, all tenants' security deposits received by a property  
13 manager shall be deposited and maintained in a security deposits account, and OAR 863-025-  
14 0030(1) (11-14-08, 1-1-09, 6-15-10, 4-15-11, 9-1-11, 9-14-11, 9-14-12, 4-1-13, 5-15-14  
15 Editions), which states, except as provided in section (3) of this rule, all tenants' security  
16 deposits received by a property manager must be deposited and maintained in a security  
17 deposits account.

18          **Violation:** By receiving security deposits on behalf of Sheri Terjeson, and failing to  
19 open and maintain a security deposits account, separate from the clients' trust account, King  
20 violated OAR 863-025-0025(3) (11-15-07 Edition), which states except as provided in section  
21 (6) of this rule a property manager who receives a security deposits on behalf of an owner  
22 shall open and maintain a security deposits account, that is separate from the property  
23 manager's clients' trust account and OAR 863-025-0025(4) (11-14-08, 1-1-09, 6-15-10, 4-15-  
24 11, 9-1-11, 9-14-11, 9-14-12, 4-1-13, 5-15-14 Editions), which states except as provided in  
25 section (7) of this rule, a property manager who receives a security deposits on behalf of an  
26 owner must open and maintain a security deposits account, that is separate from the property  
27 manager's clients' trust account. King also violated OAR 863-025-0025(4) (11-15-07 Edition),  
28 which states except as provided in section (6) of this rule and OAR 863-025-0030, a property  
29 manager who receives a security deposit on behalf of an owner shall deposit a security deposit  
30 into the property manager's security deposits account within five banking days after receipt,

1 and OAR 863-025-0025(5) (11-14-08, 1-1-09, 6-15-10, 4-15-11, 9-1-11, 9-14-11, 9-14-12, 4-1-  
2 13, 5-15-14 Editions), which states that except as provided in section (7) of this rule and OAR  
3 863-025-0030, a property manager who receives a security deposit on behalf of an owner  
4 must deposit the security deposit into the property manager's security deposits account within  
5 five banking days after receipt. King also violated ORS 696.890(3)(e) (2011 Edition) and ORS  
6 696.890(4)(e) (2013 and 2015 Editions ), which states the property manager owes the property  
7 owner the following affirmative duties: (e) To act in a fiduciary manner in all matters relating to  
8 trust funds.

9 2.

10 2.1 OREA reserves the right to investigate and pursue additional complaints that  
11 may be received in the future regarding this licensee.

12  
13 **STIPULATION & WAIVER**

14 I have read and reviewed the above findings of fact and conclusions of law which have  
15 been submitted to me by OREA and further, the order which follows hereafter. I understand  
16 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and  
17 complete agreement and stipulation between OREA and me. I further understand that if I do  
18 not agree with this stipulation I have the right to request a hearing on this matter and to be  
19 represented by legal counsel at such a hearing. Hearings are conducted in accordance with  
20 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and  
21 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily  
22 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to  
23 judicial review of this matter.

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

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ORDER

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

IT IS FURTHER ORDERED that King complete the 27-hour Property Manager Advanced Practices course, (detailed in OAR 863-022-0022) within six months from the effective date of this order. King must submit documentation, such as a certificate to OREA showing completion of the 27- hour Property Manager Advanced Practices course. This documentation must be submitted to OREA no later than a month after the education has been completed.

IT IS SO STIPULATED:

IT IS SO ORDERED:

  
\_\_\_\_\_  
GORDON L. KING

  
\_\_\_\_\_  
GENE BENTLEY

Real Estate Commissioner

Date 5-23-16

Date 6-13-16

Date of service: 6-13-2010



1 REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER  
3

4 In the Matter of the Real Estate License of

5  
6 LINDA J. MOODY

7 )  
8 ) STIPULATED FINAL ORDER  
9 )

10 The Oregon Real Estate Agency (OREA) and Linda J. Moody (Moody) do hereby agree  
11 and stipulate to the following:

12 FINDINGS OF FACT  
13 &  
14 CONCLUSIONS OF LAW

15 1.

16 1.1 At all times mentioned herein, Moody was licensed as a principal broker doing  
17 business under the registered business name Town & Country Realtors, Inc. (Town & Country)

18 1.2 On March 28, 2014, OREA received a complaint from Thomas Salyers (Salyers)  
19 which involved several individuals, including Moody, and Debra Lynn O'Neal (O'Neal) who was  
20 working for Moody at the time. OREA opened an investigation which was assigned to  
21 Investigator/Auditor Meghan Lewis (Lewis).

22 1.3 On May 13, 2013, O'Neal signed an Independent Contractor's Agreement with  
23 Moody. In the agreement O'Neal is identified as the "Property Manager." At the time the  
24 agreement was signed, O'Neal was unlicensed. O'Neal told Lewis she asked Moody if she  
25 could conduct property management under Moody's principal broker license. O'Neal claimed  
26 Moody agreed with the condition that O'Neal continue to work toward obtaining her property  
27 manager license.

28 1.4 According to the Independent Contractor's Agreement, O'Neal received 70% of  
29 the rental income as compensation for her management of rental real estate.

30 ///

1           1.5     Additionally, for the investigation, Moody provided a copy of Town and Country  
2 Realtors, Inc., "Office Policy," which was incorporated into the Independent Contractor's  
3 Agreement. Both the Independent Contractor's Agreement and Office Policy were signed by  
4 O'Neal. Neither agreement contained the required delegations of authority for O'Neal to  
5 negotiate and sign property management agreements, review and approve reconciliations,  
6 review, and approve and accept tenant rental and lease agreements.

7           1.6     During the investigation, Moody told Lewis that O'Neal did all aspects of the  
8 property management, including negotiating, signing property management agreements and  
9 tenant lease agreements, collecting rent and deposits, conducting tenant relations, advertising,  
10 and directing maintenance. Moody also told Lewis that O'Neal negotiated the property  
11 management agreements, but Moody would review and sign the property management  
12 agreements in addition to O'Neal.

13           **Violation:** By allowing O'Neal, a non-licensed individual at the time, to sign property  
14 management agreements, Moody violated ORS 696.301(3) as it incorporates OAR 863-025-  
15 0020(6) (4-1-13, 5-15-14 Editions) which states only a property manager may negotiate and  
16 sign a property management agreement, except that a principal real estate broker engaging in  
17 the management of rental real estate may delegate such authority under OAR 863-025-  
18 0015(6) to a real estate licensee who is under the supervision and control for the principal real  
19 estate broker.

20           1.7     In his complaint, Salyers expressed his concerns to Moody about O'Neal's  
21 professionalism and lack of license to conduct property management. Salyers wrote, "I was  
22 informed by Mrs. Moody that she would not perform any property management duties – that  
23 she had neither the time nor the resources to do so – that Debra would continue to be the  
24 property manager and Mrs. Moody would be an occasional go-between, but could not cut  
25 Debra out of the picture entirely."

26           **Violation:** By allowing O'Neal, an unlicensed individual, to engage in activity with on or  
27 behalf of Town and Country, without having a proper delegation of authority in place, Moody  
28 violated ORS 696.301(3) as it incorporates ORS 696.315(1) (2013 and 2015 Edition) which  
29 states, a real estate licensee may not knowingly permit an unlicensed individual to engage in  
30 professional real estate activity with or on behalf of the licensee.

1           1.8     O'Neal conducted property management activity on Moody's behalf from an  
2 office identified as T&C located at 47763 Hwy. 58, Oakridge, OR. Moody conducted  
3 professional real estate activity from her registered main office located at 76616 High Prairie  
4 Road, Oakridge, OR. According to the OREA records, the T&C location at 47763 was not  
5 registered as a branch office.

6           **Violation:** By allowing O'Neal to conduct management of rental real estate at a location  
7 which was not a registered main or branch office, Moody violated ORS 696.301(3) as it  
8 incorporates ORS 696.200(5)(a) (2013 and 2015 Editions), which states, a principal broker  
9 shall register each branch office with the agency under a registered business name or the real  
10 estate licensee's licensed name.

11           1.9     During the investigation, Lewis reviewed O'Neal's business card, lawn sign and  
12 phone book advertisements relating to Town and Country's property management business.  
13 The advertisements failed to have the full registered business name properly displayed or be  
14 identifiable as advertising of a real estate licensee.

15           **Violation:** By advertising or allowing O'Neal to advertise for the property management  
16 business, without having the business name, Town & Country Realtors, Inc., properly identified  
17 or the name of the principal broker displayed, Moody violated ORS 696.301(3) as it  
18 incorporates OAR 863-015-0125(2)(a) (4-1-13 and 5-15-14 Edition), which states advertising  
19 must be identifiable as advertising of a real estate licensee, and OAR 863-015-0125(4) (4-1-13  
20 and 5-15-14 Edition), which requires the licensed name or registered business name to be  
21 prominently displayed, immediately noticeable and conspicuous in all advertising.

22           1.10    In regards to the clients' trust accounts, Moody told Lewis that she gave O'Neal  
23 authority for two of three clients' trust accounts, which included security deposit account  
24 "Property Management CTA," account ending in #0803 (CTA #0803) and "Property  
25 Management CTA," ending in #0811 (CTA #0811). Lewis asked O'Neal if she was responsible  
26 for reconciling the clients' trust accounts. O'Neal told Lewis she reconciled the clients' trust  
27 accounts using the check register and bank statement. O'Neal said she struggled to  
28 understand how to complete a three-way reconciliation, and had reviewed the requirements in  
29 her pre-licensing study materials, but had yet to apply the practice to the reconciliations.

30 ///

1 1.11 Lewis requested CTA reconciliations for the month of August 2014 for CTA  
2 #0803 and CTA #0811.

3 1.12 The first submittal of the reconciliation documentation for CTA #0811 showed  
4 Part I and Part II totals as \$755.88 and Part III was entered as zero. Part IV, the amount of  
5 difference was blank. Missing from the reconciliation was the supporting documentation for  
6 Part II, ledger totals. The reconciliation form was signed and dated, September 29, 2014, by  
7 Moody and O'Neal.

8 1.13 A request for supporting documentation and missing information was emailed to  
9 O'Neal and Moody on September 30, 2014. OREA received faxed reconciliations on October  
10 2, 2014.

11 1.14 The second submittal for the August 2014 reconciliation for CTA #0811 showed  
12 Part I and II were entered as \$755.88 and Part III was entered as \$24,301.28. It appeared the  
13 balance for CTA #0803 was entered for Part III of CTA #0811. The reconciliation form was  
14 dated September 29, 2014, and signed by Moody and O'Neal.

15 1.15 A second request for supporting documentation was emailed to Moody and  
16 O'Neal on October 3, 2014. OREA received supporting documentation and corrected single  
17 reconciliation forms via fax on October 13, 2014.

18 1.16 The third submittal for the August 2014 reconciliation for CTA #0811 showed Part  
19 I, II, and III entered as \$780.53. A review of the bank statement ending August 31, 2014,  
20 shows an overdraft fee of \$28.00 charge to CTA #0811. This charge was indicated as a "Total  
21 Year-to-date."

22 1.17 Part II, the check register, dated August 1-31, 2014, indicates an insufficient  
23 opening balance of -\$1,528.42. A deposit of \$902.00 increased the balance to -\$626.42 on  
24 August 1, 2014. Multiple occasions show the balance at the close of a business day was  
25 negative, but brought positive once a deposit was made on the following business day. On  
26 August 22, 2014, the following disbursements caused consecutive negative balances:

- 27 • Check #2201 for \$366.62 resulted in a balance of -\$283.13.
- 28 • Check #2202 for \$2,123.34 resulted in a balance of -\$2,406.47
- 29 • Check #2204 for \$40.00 caused resulted in a balance of -\$2,446.47

30 ///

1 1.18 The ending balance for August 22, 2014, was -\$283.13. On August 24, 2014,  
2 the ending balance for the day was -\$2,446.47.

3 1.19 On August 25, 2014, a deposit of \$902.00 brought the balance to -\$1,544.47,  
4 however the end of the day balance was -\$1,544.47. On August 28, 2014, a deposit of  
5 \$2,525.00 resulted in a positive balance of \$980.53.

6 **Violation:** By failing to complete the required reconciliation or ensure that the  
7 reconciliation was properly completed for CTA #0811, Moody violated ORS 696.301(3) as it  
8 incorporates OAR 863-025-0025(20) (4-1-13, 5-15-14 Editions), which requires a property  
9 manager to reconcile each clients' trust accounts, with the required three components, within  
10 30 days of the date of the bank statement.

11 **Violation:** By failing to complete the required reconciliation or ensure that the  
12 reconciliation was properly completed for CTA #0803, Moody violated ORS 696.301(3) as it  
13 incorporates OAR 863-025-0025(21) (4-1-13, 5-15-14 Editions), which requires a property  
14 manager to reconcile each security deposit account, with the required three components,  
15 within 30 days of the date of the bank statement.

16 **Violation:** By allowing consecutive negative balances to occur on the check register for  
17 CTA #0811 for the dates of August 22, 24, and 25, 2014, Moody violated ORS 696.301(3) as it  
18 incorporates OAR 863-025-0040(7) (5-15-14 Edition), which states a record of receipts and  
19 disbursements or check register for a clients' trust account may show a negative balance  
20 during the course of a day only if the record or receipts and disbursements or check register  
21 shows a positive balance at the close of a day.

22 2.

23 2.1 OREA reserves the right to investigate and pursue additional complaints that  
24 may be received in the future regarding this licensee.

25 STIPULATION & WAIVER

26 I have read and reviewed the above findings of fact and conclusions of law which have  
27 been submitted to me by OREA and further, the order which follows hereafter. I understand  
28 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and  
29 complete agreement and stipulation between OREA and me. I further understand that if I do  
30 not agree with this stipulation I have the right to request a hearing on this matter and to be

1 represented by legal counsel at such a hearing. Hearings are conducted in accordance with  
2 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and  
3 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily  
4 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to  
5 judicial review of this matter.

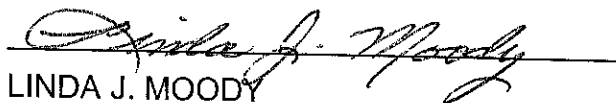
6 I hereby agree and stipulate to the above findings of fact and conclusions of law and  
7 understand that the order which follows hereafter may be completed and signed by the Real  
8 Estate Commissioner or may be rejected by the Real Estate Commissioner. I understand that,  
9 in accordance with the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

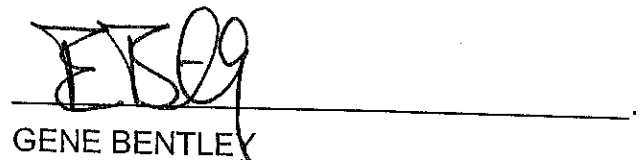
11 ORDER

12 IT IS HEREBY ORDERED that Moody's principal broker license be, and hereby is,  
13 reprimanded.

14  
15 IT IS SO STIPULATED:

IT IS SO ORDERED:

16  
17  
18   
19 LINDA J. MOODY

18   
19 GENE BENTLEY

Real Estate Commissioner

20  
21 Date 6-16-16

Date 6.14.16

22  
23 Date of service: 6-14-2016  
24  
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1 REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER  
3

4 In the Matter of the Real Estate License of )  
5 )  
6 BRAYDEN MICHAEL MOORE ) STIPULATED FINAL ORDER  
7 )  
8 )  
9

10 The Real Estate Agency (OREA) and Brayden Michael Moore (Moore) do hereby agree  
11 and stipulate to the following:

12 FINDINGS OF FACT  
13 &  
14 CONCLUSIONS OF LAW

15 1.

16 1.1 Brayden obtained his property manager license on May 23, 2013. On August 14,  
17 2014, Moore registered Chateau Management, LLC (Chateau) with OREA and associated his  
18 license with Chateau.

19 1.2 Moore received a clients' trust account audit letter dated July 17, 2014, informing  
20 him that his clients' trust account ending in #0000 (CTA #0000) had been chosen for a mail in  
21 audit. The letter requested Moore submit to OREA, within 30 days of the date of the letter, a  
22 trust account reconciliation for March 2014 and provide supporting documentation.

23 1.3 On September 17, 2014, Moore submitted a spreadsheet with inconsistent owner  
24 ledger balances to OREA Compliance Specialist, Lindsey Nunes (Nunes). In his first  
25 submission Moore failed to submit bank statements or a single reconciliation form showing the  
26 three required components. Moore made several incomplete submissions of reconciliation  
27 documents to Nunes.

28 1.4 Nunes scheduled an onsite inspection for September 30, 2014. Nunes asked  
29 Moore to prepare for her visit by providing an owners' ledger and check register.

30 ///

1           1.5    When Nunes arrived Moore was unable to provide the records Nunes requested.  
2 Moore told Nunes his property management records were incomplete and inaccurate because  
3 he did not have all his transactions entered, and owner and tenant ledgers were not up to date.

4           **Violation:** By failing to update and maintain required records and ledgers, Moore  
5 violated OAR 863-025-0035(1)(b), (c), (d), (f) and (j) (4-1-13, 5-15-14 Editions), which requires  
6 a property manager to keep complete and adequate records which must include, (b) clients'  
7 trust account and security deposit account records, (c) an owner's ledger for each property  
8 management agreement, (d) a record of receipts and disbursements or check register  
9 maintained for each clients' trust account or security deposits account, (f) a tenant's ledger for  
10 each tenant, and (j) records of the reconciliation of each clients' trust account and security  
11 deposits account, including the reconciliation document.

12           1.6    Nunes learned from Moore he had never taken his earned management fees  
13 since becoming licensed in April 2013. Moore claimed he intended to take his compensation  
14 when his property management records were complete. Nunes requested a copy of Moore's  
15 property management agreement, but Moore said he could not provide one for her. During a  
16 subsequent interview with OREA Investigator/Auditor Meghan Lewis (Lewis), Moore provided  
17 a copy of a property management agreement dated July 1, 2013, between Chateau  
18 Management and Mike Moore. The agreement was for property located at 6421 NW Oak  
19 Creek Dr. Studio, Corvallis, OR 97330. The agreement stated the following, "In the month in  
20 which rents are collected, Manager shall take management fees in the amount of 6% of the  
21 monthly gross receipts from the operation of the property during the period this Agreement  
22 remains in full force and effect."

23           1.7    Moore admitted to Nunes he did not collect his management fees in the month  
24 which rents are collected. The copy of the property management agreement is signed and  
25 dated July 1, 2013, by Mike Moore, but is not signed and dated by Moore.

26           **Violation:** By failing to collect earned management fees, Moore violated OAR 863-025-  
27 0025(15) (4-1-13, 5-15-14 Editions), which requires a property manager to disburse earned  
28 management fees from the clients' trust account at least once each month unless a different  
29 schedule of disbursement is specified in the property management agreement.

30    ///



1           **Violation:** By failing to sign the property management agreement dated July 1, 2013, as  
2 the property manager, Moore violated OAR 863-025-0020(2)(I) (4-1-13 and 5-15-14 Editions),  
3 which states, a property management agreement must include signatures of the property  
4 manager, or a person authorized in section (6) of this rule, and the owner.

5           **Violation:** By using the name "Chateau Management" for the management of rental  
6 real estate, when the name was not registered with OREA (the name registered with OREA is  
7 Chateau Management, LLC), Moore violated, ORS 696.026(6) (2013 Edition) which states, a  
8 principal real estate broker or licensed real estate property manager may conduct professional  
9 real estate activity only under the name which the principal broker or property manager was  
10 issued, or a registered business name.

11           1.8     On October 13, 2014, Moore called Nunes and told her his computer had  
12 crashed and he had to re-create his property management records. Moore told Nunes what  
13 she was asking of him was "impossible."

14           **Violation:** By failing to properly maintain his electronic records, Moore violated OAR  
15 863-025-0035(3)(a), and (b) (4-1-13, 5-15-14 Editions), which states, if a property manager  
16 uses a computerized system for creating, maintaining, and producing required records and  
17 reports; (a) the property manager must back up any data that is stored in the computerized  
18 system at least once each month, and (b) posting of owners ledgers, records of receipts and  
19 disbursements, tenants ledgers and manipulation of information must be maintained in a  
20 format that will readily enable tracing and reconciliation.

21           1.9     On November 18, 2014, Nunes requested an update from Moore. Moore replied  
22 and explained he was almost complete with his 2013 entries. In an email dated November 24,  
23 2014, Moore wrote to Nunes he was almost complete with his 2014 entries. Nunes did not  
24 receive further communication or a completed reconciliation with Moore.

25           1.10    On January 5, 2015, OREA opened an investigation.

26           1.11    On March 4, 2015, Lewis interviewed Moore.

27           1.12    In the March 4, 2015, interview Moore told Lewis that he used a computerized  
28 software program for his records maintenance and production. Moore used an electronic  
29 payment feature in the program for receiving into CTA #0000 tenants rent income and security  
30 deposits into CTA #0000. Moore thought owner and tenant ledgers associated with the

1 payment would be automatically updated. Moore admitted he did not always remember to  
2 correct or update receipts of funds in the owner and tenant ledgers.

3 1.13 Moore told Lewis he could not provide any monthly reconciliations for either CTA  
4 #0000 or security deposit account ending in #0018 (CTA #0018). Moore explained he was not  
5 caught up on his property management records for 2014, or 2015, but that he had completed  
6 the banking and ledger entries into his computerized system for 2013.

7 1.14 Moore further stated once he had completed the data entry for the owner and  
8 tenant ledgers he could possibly have a clients' trust account reconciliation finished within  
9 thirty days.

10 **Violation:** By failing to complete the required reconciliation for CTA #0000, Moore  
11 violated OAR 863-025-0025(20) (4-1-13, 5-15-14 Edition), which requires a property manager  
12 to reconcile each clients' trust account containing the three required components, within 30  
13 calendar days from the bank statement.

14 **Violation:** By failing to complete the required reconciliations for CTA #0018, Moore  
15 violated OAR 863-025-0025(21) (4-1-13, 5-15-14 Edition), which requires a property manager  
16 to reconcile each security deposits account containing the three required components within  
17 30 calendar days of the bank statement.

18 1.15 Throughout the course of the investigation Lewis requested and reviewed a  
19 number of Moore's financial documents as he continued to work on his records and  
20 reconciliations. Lewis found inconsistencies in the CTA #0018(security deposit account),  
21 where Moore had provided spreadsheets containing tenant security deposits information.  
22 Each spreadsheet contained a different ending balance, and the bank statement had an  
23 entirely different ending balance.

24 1.16 Moore acknowledge the balance inconsistencies were likely due to the last and  
25 first month's rent deposited in to CTA #0018. He explained that online deposits made by the  
26 tenant or single check often contained rental income and tenant security deposit funds. Moore  
27 admitted he did not always remember to transfer the funds constituting the tenant security  
28 deposit to CTA #0018, or the funds constituting rental income into CTA #0000.

29 ///

30 ///

1           **Violation:** By failing to deposit tenant security deposits into the security deposits  
2 account within five banking days, Moore violated OAR 863-025-0025(5) (4-1-13, 5-15-14  
3 Editions) which states, a property manager who receives a security deposit on behalf of an  
4 owner must deposit the security deposit into the property manager's security deposit account  
5 within five banking days after receipt.

6           **Violation:** By failing to separate rental income from tenant security deposits when a  
7 tenant deposited a larger check containing both types of funds, Moore violated OAR 863-025-  
8 0030(2) (4-1-13, 5-15-14 Editions), which state, if a property manager receives a security  
9 deposit as part of a larger check containing funds other than security deposits, the property  
10 manager may deposit the check into a clients' trust account of the property manager, however,  
11 the portion of funds constituting the security deposits must be deposited into the security  
12 deposits account within three banking days after deposit of the check into the clients' trust  
13 account.

14           1.17 As previously discussed, Moore had not properly been recording security  
15 deposits that he received from tenants. Moore told Lewis, he would work on creating an  
16 accurate spreadsheet for an accounting of tenants security deposits held in CTA #0018.  
17 Moore said he then would transfer out funds determined to be rental income to be transferred  
18 into CTA #0000.

19           1.18 A review of Moore's tenant agreements and corresponding tenant ledgers  
20 showed that Moore failed to specify the amount of and the reason for all funds paid by the  
21 tenant to the property manager including, but not limited to, funds for rent, refundable security  
22 deposits, and any fees or other charges.

23           1.19 A review of the tenant agreement for 223 NW 28<sup>th</sup> Street, Corvallis, Oregon  
24 specified the first month's rent of \$950.00, with first and last month's rent due at the beginning  
25 of the lease period effective June 1, 2014; and specified a security deposit of \$1,500.00 due at  
26 the time of signing the lease agreement,.

27           1.20 According to the tenant ledger for the 223 NW 28<sup>th</sup> Street property, an entry for  
28 \$950.00 July 1, 2014, was described as "Rent Income." On June 1, 2014, an entry for  
29 \$1,500.00, was described as "Security Deposits." An entry for July 10, 2014 for \$995.00 was  
30 recorded as, "Mgmt. Held- Last Month's Rent." The \$45.00 difference between the rent of

1 \$950.00 and \$995.00 is not specified with a reason on the tenant agreement or ledger.

2 1.21 During the investigation Moore created a spreadsheet, "January 2015 Closing  
3 Balance SD Calculations," to identify tenant funds held for the different properties he managed.  
4 On this spreadsheet, Moore identified \$4,975.00 as pre-paid rent collected for tenants in the  
5 223 NW 28<sup>th</sup> property on his spreadsheet. The \$4,975.00 pre-paid rent was not reflected on  
6 the tenant ledger for the property as paid or received.

7 1.22 Tenant agreements for 2161 Janssen Street #102, Corvallis, Oregon, indicated  
8 that security deposits were to be charged and held by the Landlord. A review of the 2161 #102  
9 tenant ledger did not show the \$2,000 tenant security deposit charged or received.

10 **Violation:** By failing to record deposits and detailed information for the deposits  
11 received, Moore violated OAR 863-025-0050(4)(d)(A) and (B) (4-1-13 and 5-15-14 Editions),  
12 which requires a tenant's ledger to contain the following for each deposits of funds: (A) amount  
13 of funds received, and (B) the purpose of the funds and identity of the person who tendered  
14 the funds.

15 1.23 All of the above demonstrate incompetent in performing acts for which Moore is  
16 required to hold a license.

17 **Violation:** ORS 696.301(12) (2013 and 2015 Editions), which states a real estate  
18 licensee's real estate license can be disciplined if they have demonstrated incompetence in  
19 performing any act for which the licensee is required to hold a license.

20 1.24 On December 22, 2015, Moore attended a settlement conference. While at the  
21 conference he stated he corrected multiple of the violations noted above. He explained he had  
22 recently hired a bookkeeper to complete the required monthly reconciliations for CTA #0000  
23 and CTA #0018. At the time of the conference Moore was working to correct entry errors from  
24 2014, but was confident once this was done he could provide October 2015 and November  
25 2015 monthly reconciliations no later than January 15, 2016.

26 1.25 Moore met the deadline of January 15, 2016 and included December 2015  
27 reconciliations. A review of the reconciliations showed multiple outstanding transactions from  
28 2014, including checks written to Chateau Management, past tenant and service providers,  
29 and electronic banking transfers remained on the reconciliation document. Moore and his  
30 bookkeeper explained the bank statements did not show these transactions, which indicated

1 the transactions did not occur at the banking level and were likely computer entry errors.

2 1.26 A second deadline of February 10, 2016, was given to Moore to show "significant  
3 improvement" with his January 2016 reconciliations. Moore met the deadline and provided  
4 the required reconciliation documents. Supporting documentation indicated the majority of  
5 outstanding transactions appeared to be resolved, but a few checks to Chateau Management  
6 and electronic banking transactions from 2014 remained on the reconciliation.

7 1.27 On February 26, 2016, Moore had a conference call with OREA Regulations  
8 Manager, Selina Barnes and Lewis. Prior to the call, corrected January 2016 reconciliations  
9 were submitted by Moore, these reconciliations appeared to be in compliance.

10 2.

11 2.1 OREA reserves the right to investigate and pursue additional complaints that  
12 may be received in the future regarding this licensee.

13 STIPULATION & WAIVER

14 I have read and reviewed the above findings of fact and conclusions of law which have  
15 been submitted to me by OREA and further, the order which follows hereafter. I understand  
16 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and  
17 complete agreement and stipulation between OREA and me. I further understand that if I do  
18 not agree with this stipulation I have the right to request a hearing on this matter and to be  
19 represented by legal counsel at such a hearing. Hearings are conducted in accordance with  
20 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and  
21 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily  
22 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to  
23 judicial review of this matter.

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

29 ///

30 ///

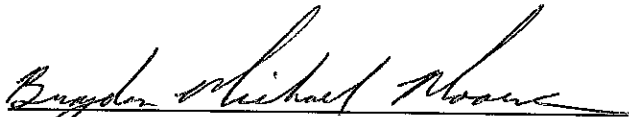
ORDER

IT IS HEREBY ORDERED that Moore's property manager license be, and hereby is, reprimanded.

IT IS FURTHER ORDERED that Moore complete the 27-hour Property Manager Advanced Practices course, (detailed in OAR 863-022-0022) within six months from the effective date of this order. Moore must submit documentation, such as certificate to OREA showing completion of the 27-hour Property Manager Advanced Practices course. This documentation must be submitted to OREA no later than 10 days after the education has been completed. The 27-hour Property Manager Advanced Practices course used to comply with this order may not be used as continuing education by Moore toward a license renewal.

IT IS SO STIPULATED:

IT IS SO ORDERED:



BRAYDEN MICHAEL MOORE

Date June 6<sup>th</sup>, 2016



GENE BENTLEY

Real Estate Commissioner

Date 6.14.16

Date of service: 6-16-2016

1 REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER  
3

4  
5 In the Matter of Shannon England-Beringer's  
6  
7 Broker License  
8

STIPULATED FINAL ORDER

9  
10 The Oregon Real Estate Agency (OREA) and Sharon England-Beringer (England-  
11 Beringer) do hereby agree and stipulate to the following:

12 FINDINGS OF FACT

13 England-Beringer was licensed as a Broker with Assist2Sell Buyers & Sellers Realty  
14 Services. England-Beringer's license expired on January 1, 2016 and was not renewed until  
15 February 4, 2016. During the time England-Beringer's license was expired, January 1, 2016  
16 to February 3, 2016, 34 days, England-Beringer continued conducting professional real estate  
17 activity as if actively licensed.

18 CONCLUSION OF LAW

19 By conducting professional real estate activity over the course of 34 days after England-  
20 Beringer's license expired and before renewing it, England-Beringer violated ORS 696.020(2)  
21 and is subject to discipline or civil penalty pursuant to ORS 696.990(4) and (9).

22 STIPULATION & WAIVER

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

1 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to  
2 judicial review of this matter.

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

9 ORDER

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

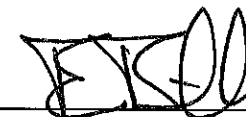
16  
17 IT IS SO STIPULATED:

IT IS SO ORDERED:

18  
19   
20 \_\_\_\_\_

21 Shannon England-Beringer

22  
23 Date 6/8/16  
24

25   
26 \_\_\_\_\_

27 GENE BENTLEY

28 Real Estate Commissioner

29 Date 6.14.16  
30

DATE of service: 6-14-2016



1 REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER  
3

4  
5 In the Matter of Joshua T. Reece's  
6  
7 Property Manager License  
8

}  
} STIPULATED FINAL ORDER  
}

9  
10 The Oregon Real Estate Agency (OREA) and Joshua T. Reece (Reece) do hereby  
11 agree and stipulate to the following:

12 FINDINGS OF FACT

13 Reece was licensed as a Property Manager with Empire Property Management LLC.  
14 Reece's license expired on May 1, 2015 and was not renewed until January 20, 2016. In a  
15 written statement Reece stated he only conducting professional real estate activity during the  
16 months of June, July, August, and October 2015.

17 CONCLUSION OF LAW

18 By conducting professional real estate activity over the course of 123 days after  
19 Reece's license expired and before renewing it, Reece violated ORS 696.020(2) and is subject  
20 to discipline or civil penalty pursuant to ORS 696.990(4) and (9).

21 STIPULATION & WAIVER

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

1 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to  
2 judicial review of this matter.


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

9 ORDER

10 IT IS HEREBY ORDERED that pursuant to ORS 696.990(1) to (9) and based upon the  
11 violation set forth above, Reece pay a civil penalty in the sum of \$1,600.00, said penalty to be  
12 paid to the General Fund of the State Treasury by paying the same to the OREA. The civil  
13 penalty is computed in accordance with ORS 696.990(4) and (9) in that each 30-day period of  
14 unlicensed activity is considered one violation. In this instance, there were four 30-day periods  
15 of unlicensed activity.

16  
17 IT IS SO STIPULATED:

IT IS SO ORDERED:

18  
19  
20   
21 \_\_\_\_\_  
Joshua T. Reece

20   
21 \_\_\_\_\_  
GENE BENTLEY

Real Estate Commissioner

22  
23 Date 6-18-2016

Date 6.23.16

24  
25 DATE of service: 6-23-2016  
26  
27  
28  
29  
30

1 REAL ESTATE AGENCY  
2 BEFORE THE REAL ESTATE COMMISSIONER  
3

4 In the Matter of the Property Manager License )  
5 of )  
6 DEBRA LYNN O'NEAL )

ORDER ON DEFAULT

7  
8  
9 1.

10 1.1 On March 31, 2016, the Real Estate Commissioner issued a notice of intent to  
11 levy a civil penalty against Debra Lynn O'Neal (O'Neal). The notice of intent was served by  
12 personal service by Oregon Real Estate Agency (OREA) Investigator/Auditor Meghan Lewis  
13 (Lewis). Lewis served the notice of intent to O'Neal on March 31, 2016. Additionally, the  
14 notice of intent was mailed via certified mail and regular first class mail in a handwritten  
15 envelope on March 31, 2016.

16 1.2 The certified mailing of the notice of intent and the first class mailing were sent to  
17 O'Neal at PO Box 714, Oakridge, OR 97463. No mailings have been returned to OREA.

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

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

23 2.

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

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



1           3.4     While working at Joy Kingsbury Inc. Real Estate Services, O'Neal negotiated  
2 tenant rental agreements, checked applicant or tenant references, conducted tenant relations,  
3 collected rent and security deposits and supervised her husband, Tim Taylor, for maintenance  
4 duties. O'Neal also did the bookkeeping for Joy Kingsbury Inc. Real Estate Services.

5           3.5     When Lewis asked Kingsbury to provide written polices and delegations of  
6 authority for O'Neal's property management activity Kingsbury was unable to provide the  
7 documents.

8           3.6     In 2012, Kingsbury outlined a Letter of Intent for O'Neal to purchase the property  
9 management business. In the Letter of Intent, signed November 8, 2012, Kingsbury wrote she  
10 intended to close the property management division and inform all current property owners of  
11 the proposed transfer to O'Neal with the provision O'Neal obtain a license to practice property  
12 management in Oregon. Kingsbury set the deadline for O'Neal to earn her property manager  
13 license and assume ownership of the property management division for April 1, 2013.

14          3.7     Kingsbury and O'Neal's working relationship became strained, and as of March  
15 14, 2013, O'Neal had not obtained her property manager license.

16          3.8     On March 14, 2013, Kingsbury wrote to her clients (owners), "This is to announce  
17 that beginning May 1, 2013, I will close the Property Management portion of my business and  
18 confine my activities to Real Estate only. Debra O'Neal is applying to the State of Oregon for a  
19 license to operate independently and she expects to pass her examinations and have a license  
20 in hand by that date. She has been diligent and hardworking. She enjoys the work."

21          3.9     O'Neal contacted retired attorney, Glenn Null (Null), who on behalf of O'Neal  
22 wrote a letter to Kingsbury dated, March 18, 2013. In the letter Null wrote, "While April 1,  
23 2013, is not likely for Ms. O'Neal to be able to obtain her license as set forth in the agreement,  
24 she has currently completed 22 of the 30 classes needed to obtain her property manager's  
25 license. Accordingly, this letter will confirm that Ms. O'Neal will have her license no later than  
26 May 1, 2013."

27          3.10    In a letter dated, April 1, 2013, Kingsbury informed her clients (tenants) she was  
28 closing the property management division of her business, and sometime prior to May 1, they  
29 would be notified by the "property owner or new manager Where [sic] you will pay your next  
30 month's rent and all other particulars."

1           3.11 As of May 1, 2013, O'Neal had not obtained her property manager license. In a  
2 phone call with Lewis, O'Neal admitted taking property management agreements and tenant  
3 lease agreements from Joy Kingsbury Inc. Real Estate Services. Kingsbury acknowledged  
4 when she became aware of the missing records she determined she was done with the  
5 property management business and things were "out of her hands."

6           3.12 O'Neal contacted Linda Moody (Moody) at Town & Country Realtors, Inc., and  
7 explained the circumstances. O'Neal acknowledged she asked Moody if she could conduct  
8 property management under Moody's principal broker license. O'Neal claimed Moody agreed  
9 with the condition that O'Neal continue to work toward obtaining her property manager license.

10          3.13 On May 13, 2013, O'Neal signed an Independent Contractor's Agreement with  
11 Moody. In the agreement O'Neal is identified as the "Property Manager."

12          3.14 According to the Independent Contractor's Agreement, O'Neal received 70% of  
13 the rental income as compensation for her management of rental real estate. Additionally,  
14 Moody provided a copy of Town and Country Realtors, Inc., "Office Policy," which was  
15 incorporated into the Independent Contractor's Agreement. Both the Independent Contractor's  
16 Agreement and Office Policy were signed by O'Neal. Neither agreement contained the  
17 required delegations of authority for O'Neal to negotiate and sign property management  
18 agreements, review and approve reconciliations, review, and approve and accept tenant rental  
19 and lease agreements.

20          3.15 The Independent Contractor's Agreement included the following language:

21            "Section 2.1 Property Manager may advertise under TOWN & COUNTRY  
22 REALTORS, INC.'S name, provided TOWN & COUNTRY REALTORS, INC.,  
23 name is always in the advertising as required by Oregon Law.

24            "Section 2.2 Any expenses for attorney's fees and other costs of settling a dispute  
25 by property owners or tenants shall be the responsibility of the Property  
26 Manager.

27            "Section 2.3 The Principal Broker will assist the Property Manager in the conduct  
28 of their work by giving advice and full cooperation on any matter or transaction  
29 when so requested by the Property Manager."

30            "Section 3.1 Property Manager will rent/lease properties to the best of his/her

1 abilities and will solicit additional clients for and on behalf of TOWN & COUNTRY  
2 REALTORS, INC., and otherwise promote the business of service to the public in  
3 property management activities.”

4 “Section 7.1 The parties hereto specifically agree that Property Manager is an  
5 independent contractor and not an employee, servant or partner of TOWN &  
6 COUNTRY REALTORS, INC.”

7 3.16 The “Office Policy” contained the following:

8 “ADVERTISING: Property Manager shall be responsible for any and all  
9 advertising necessary to satisfy property owners.

10 Property Manager shall be responsible for purchasing their own business cards.  
11 Business cards must adhere to the TOWN & COUNTRY REALTORS, INC.,  
12 standard.

13 Any advertising must be approved by the Principal Broker and done at the  
14 Property Manager’s own expense.”

15 Under the heading “Broker Obligations” included the following terms:

16 “The Principal Broker will assist in any way necessary. Any and all transactions  
17 must, by Oregon Real Estate Law, be approved by Principal Broker and be on  
18 file at TOWN & COUNTRY REALTORS, INC., main office. This includes  
19 personal transactions.”

20 and

21 “The Property Manager will be responsible for depositing all rents from tenants in  
22 a timely fashion, and sending clients their rental checks in a timely fashion.”

23 3.17 O’Neal conducted property management activity from an office identified as T&C  
24 located at 47763 Hwy. 58, Oakridge, OR. Moody conducted professional real estate activity  
25 from her registered main office located at 76616 High Prairie Road, Oakridge, OR. According  
26 to the OREA records, the T&C location at 47763 Hwy 58 is not registered as a branch office.

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28 ///

29 ///

30 ///

1           3.18 During the investigation, Moody told Lewis that O'Neal did all aspects of the  
2 property management, including negotiating, signing property management agreements and  
3 tenant lease agreements, collecting rent and deposits, conducting tenant relations, advertising,  
4 and directing maintenance. Moody also told Lewis that O'Neal negotiated the property  
5 management agreement, but Moody did review and sign the property management agreement  
6 in addition to O'Neal.

7           3.19 In his complaint Salyers expressed his concerns to Moody about O'Neal's  
8 professionalism and lack of license to conduct property management. In his complaint Salyers  
9 wrote, "I was informed by Mrs. Moody that she would not perform any property management  
10 duties – that she had neither the time nor the resources to do so – that Debra would continue  
11 to be the property manager and Mrs. Moody would be an occasional go-between, but could not  
12 cut Debra out of the picture entirely."

13           3.20 In regards to clients' trust accounts, Moody told Lewis that she gave O'Neal  
14 authority for two of three clients' trust accounts, which included "Property Management CTA,"  
15 account ending in #0803 and "Property Management CTA," ending in #0811. Lewis asked  
16 O'Neal if she was responsible for reconciling the clients' trust accounts. O'Neal told Lewis she  
17 reconciled the clients' trust accounts using the check register and bank statement.

18           3.21 During the investigation, Lewis reviewed O'Neal's business card which contained  
19 the words, "Property Rentals" prominently displayed, in the right hand corner were the words  
20 "Property Management Town and Country."

21           3.22 O'Neal negotiated and signed a month-to-month rental agreement with Salyers  
22 for a rental on 76540 Bobbe Way, Oakridge, OR 97463 effective March 1, 2014.

23           3.23 OREA licensing records show O'Neal filed an application for a property manager  
24 license on March 13, 2013, and had taken the property manager test four times without  
25 obtaining a passing score.

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1           3.24 OREA records indicate OREA Business and Licensing Services Manager, Erika  
2 Kleiner gave O'Neal until May 7, 2014 to take and pass the licensing examinations using her  
3 current education which O'Neal was unable to do (applicants who completed pre-license  
4 education between July 1, 2002 and December 31, 2012, had until April 30, 2014 to obtain  
5 their license, after that date, applicants were required to complete the updated pre-license  
6 education.) On September 15, 2015, O'Neal passed the licensing exam.

7           3.25 On October 4, 2015, OREA received a fax which included a notice dated July 8,  
8 2015, from Moody to her clients indicating as of October 1, 2015, Town & Country Realtors,  
9 Inc., would no longer be managing their property, and O'Neal would be opening her own  
10 company. In the fax, there were the following documents: 1) Articles of Incorporation from the  
11 Secretary of State of Oregon for Mountain Property Management, identifying O'Neal as the  
12 agent, signed August 24, 2015, 2) Internal Revenue Service Notice of Registration dated  
13 August 28, 2015, 3) letter dated October 2, 2015, from First Tech Credit Union notifying OREA  
14 O'Neal had submitted documentation to establish a business account, 4) a Department of  
15 Business and Consumer Affairs Registration, 5) an Internal Revenue Service notice Employer  
16 Identification Number dated August 24, 2015, and 6) an email dated June 25, 2015, from  
17 Janda Fleming of VP Training at Superior Schools, Inc. to Moody, which proclaimed O'Neal  
18 was working diligently on her pre-license property management course and O'Neal was "in a  
19 difficult position with actually running a Property Management [sic] company and studying for  
20 her exam."

21           3.26 O'Neal obtained her real estate property manager license on October 23, 2015.

22           **Violation:** By conducting management of rental real estate activity from May 1, 2013 to  
23 October 22, 2015, without a license, O'Neal violated ORS 696.020(2) (2013 and 2015  
24 Editions), which state an individual may not engage in, carry on, advertise or purport to engage  
25 in or carry on professional real estate activity, or act in the capacity of a real estate licensee,  
26 within this state unless the individual holds an active license.

27 ///

28 ///

29 ///

30 ///

1 ORDER

2 IT IS HEREBY ORDERED, pursuant to ORS 696.990 and based upon the violation set  
3 forth above, O'Neal pay a civil penalty in the sum of \$28,500.00, said penalty to be paid to the  
4 General Fund of the State Treasury by paying the same to OREA. The civil penalty is  
5 computed in accordance with ORS 696.990(4). In this instance, each month of unlicensed  
6 activity is one occurrence, for a total of 29 occurrences.

7  
8 Dated this 30<sup>th</sup> day of JUNE, 2016.

9  
10 OREGON REAL ESTATE AGENCY

11  
12 

13 \_\_\_\_\_  
14 GENE BENTLEY  
15 Real Estate Commissioner

16  
17 Date of service: 6/30/2016

18  
19 NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by  
20 filing a petition for review within 60 days from the date of service of this order. Judicial review  
21 is pursuant to the provisions of ORS 183.482.

**REAL ESTATE BOARD  
REGULATION DIVISION REPORT  
August 1, 2016**

Regulation Division Manager: Selina Barnes  
Compliance Specialist 3 (Compliance Coordinator): Deanna Hewitt  
Financial Investigators (Investigator-Auditor): Peter Bale, Jeremy Brooks, Aaron Grimes,  
 Frances Hlawatsch, Philip Johnson, Meghan Lewis, Rob Pierce  
Compliance Specialist 2: Carolyn Kalb  
Compliance Specialists 1: Denise Lewis, Lindsey Nunes, Danette Rozell  
Administrative Specialist: Janae Beaver

**Division Overview**

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

The Compliance Specialists are responsible for conducting: mail-in audits of licensee's clients' trust accounts (CTA), continuing education (CE) audit investigations, expired activity investigations, background checks and self-administered compliance reviews. They also respond to inquiries regarding regulations and filing complaints from the public, licensees, and other governmental agencies.

**Workload and Activity Indicators**

<b>Current Cases In Below Status</b>	<b>Average 2015</b>	<b>Average Q2 2016</b>	<b>7/14/16</b>
Mail-in CTA Audits	65	26	12
Renewal Investigation	6	8	6
Background Check Investigation	7	9	13
Complaint	44	22	51
Investigation (& Pending Assignment to Investigator)	55	75	70
Admin Review	33	18	31
Settlement Process	19	38	39
Pending Admin Action	9	13	10
Hearing	12	6	4
Appeal	3	9	9

Janae Beaver was hired and started work as the Regulations Administrative Specialist on June 20, 2016. Janae was a licensed broker in Nebraska and has experience working for a property management company there. She also has worked for the Nebraska Public Service Commission and Lincoln (Nebraska) Public Schools. Janae has an Associate's Degree in Business Administration.

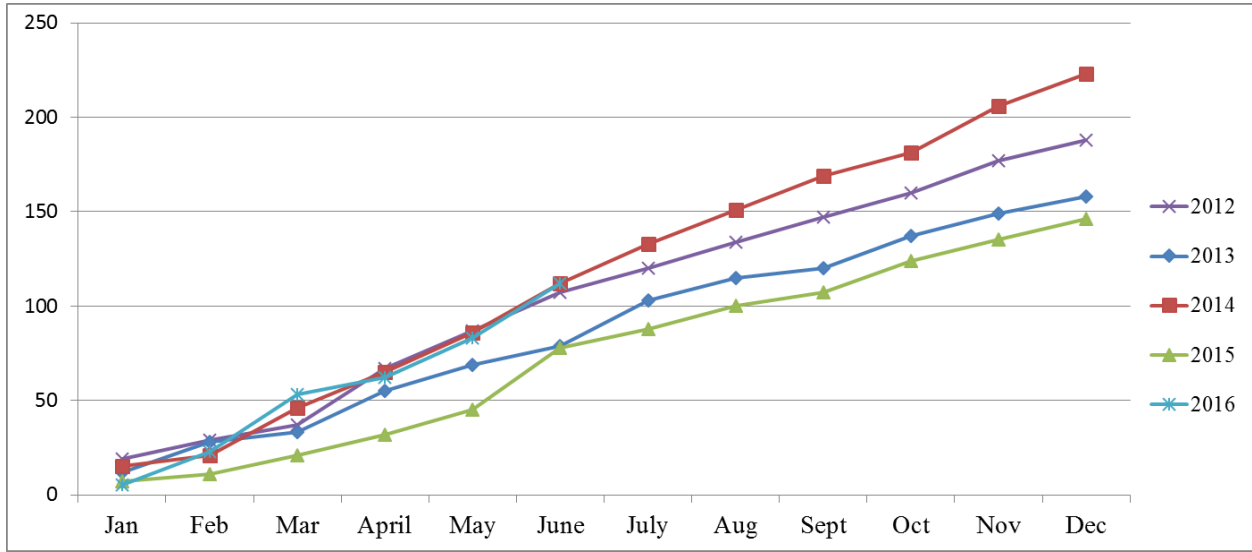
**REAL ESTATE BOARD  
LAND DEVELOPMENT DIVISION  
August 1st, 2016**

Division Manager: Michael Hanifin

Section Overview:

The Land Development Division reviews and approves filings related to condominiums, timeshares, subdivisions, manufactured home subdivisions, and membership campgrounds. The section reviews and approves the documents creating these types of properties (as well as any later amendments) in order to verify compliance with statutory requirements. We also issue the informational Disclosure Statement required for the first sale of a condominium unit to the consumer, and a similar document, the Public Report, for sale of timeshare interests.

Workload and Activity Indicators



Filing activity in 2016 continues to exceed the five-year average and is comparable in volume to both 2011 and 2014.

Current Projects

Ongoing effort to improve upon division-specific website content, forms, and instructional materials.

Completed Projects

Create structure and content for division presence on the new website.

**REAL ESTATE BOARD  
ADMINISTRATIVE SERVICES DIVISION REPORT  
August 1, 2016**

Business & Technology Services Manager: Anna Higley  
Accountant: Caty Karayel  
Systems Administrator: Tiffani Miller  
Customer Service Manager: Madeline Alvarado  
Licensing Specialists: Tami Schemmel and Ruslan Putintsev  
Receptionist: Sue Davenhill

Section Overview

The Administrative Services Division acts as support to the Agency. This division manages budget/allotment preparation, accounting, purchasing and contracting, inventory control, facilities, payroll, special projects, Information Technology (IT), and licensing services.

Licensing services include assisting real estate brokers, principal brokers, property managers and escrow agencies as they manage their licenses using eLicense, assisting customers as they process registered business names and branch office registrations in eLicense, registering membership campground contract brokers, completing license applicant criminal background check investigations, processing escrow licensing and security/bonding files, maintaining all licensing history records, electronic processing of fees, and providing general reception services. Please see related statistics on the following page.

Budget Update

Revenue: The final revenue for the 13-15 biennium is **\$5.67 million**. The Agency began the 13-15 biennium with a balance of **\$1.9 million** (cash reserves). Five months of operating expenses total approximately \$1.1 million. The Agency ended the biennium with a \$1.0 million ending balance and has maintained the \$1.0 million cash balance through the last fiscal year. Projected revenue for the 15-17 biennium is **\$6.25 million** with a **\$7.16 million** Legislative Approved Budget.

- Personal Services: Expected limitation \$217,779.
- Services & Supplies: Expected limitation \$43,052.
- Agency Budget – total expected savings of \$260,831 of our limitation.

Licensing Statistics

*Total Licenses:*

<b>Individuals (Persons)</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>
<b>Broker - Total</b>	<b>13,003</b>	<b>13,146</b>	<b>13,243</b>	<b>13,426</b>	<b>13,475</b>	<b>13,706</b>
Active	11,385	11,510	11,646	11,837	11,922	12,120
Inactive	1,618	1,636	1,597	1,589	1,553	1,586
<b>Principal Broker - Total</b>	<b>6,376</b>	<b>6,373</b>	<b>6,368</b>	<b>6,384</b>	<b>6,370</b>	<b>6,385</b>
Active	5,975	5,982	5,967	5,983	5,982	6,007
Inactive	401	391	401	401	388	378
<b>ALL BROKERS Total</b>	<b>19,379</b>	<b>19,519</b>	<b>19,611</b>	<b>19,810</b>	<b>19,845</b>	<b>20,091</b>
<b>Active</b>	<b>17,360</b>	<b>17,492</b>	<b>17,613</b>	<b>17,820</b>	<b>0</b>	<b>18,127</b>
<b>Inactive</b>	<b>2,019</b>	<b>2,027</b>	<b>1,998</b>	<b>1,990</b>	<b>0</b>	<b>1,964</b>

<b>Property Manager - Total</b>	<b>866</b>	<b>872</b>	<b>873</b>	<b>872</b>	<b>871</b>	<b>884</b>
Active	803	807	811	806	807	818
Inactive	63	65	62	66	64	66
<b>MCC Salesperson</b>	<b>32</b>	<b>30</b>	<b>33</b>	<b>35</b>	<b>26</b>	<b>30</b>
<b>MCC Broker</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>TOTAL INDIVIDUALS</b>	<b>20,279</b>	<b>20,423</b>	<b>20,519</b>	<b>20,719</b>	<b>20,744</b>	<b>21,007</b>
Active	18,197	18,331	18,459	18,663	0	18,977
Inactive	2,082	2,092	2,060	2,056	0	2,030
<b>Facilities (Companies)</b>						
REMO	4	4	5	5	5	5
Registered Business Name (RBN)	3,285	3,297	3,307	3,308	3,312	3,320
Registered Branch Office (RBO)	695	696	708	721	706	714
Escrow Organization	49	49	49	48	48	47
Escrow Branch	150	145	144	144	144	144
PBLN	691	686	684	686	681	666
PMLN	152	156	156	153	154	159
<b>CEP</b>	<b>291</b>	<b>303</b>	<b>305</b>	<b>311</b>	<b>313</b>	<b>318</b>
MCC Operator	25	25	25	25	25	25
<b>TOTAL FACILITIES</b>	<b>5,342</b>	<b>5,361</b>	<b>5,383</b>	<b>5,401</b>	<b>5,388</b>	<b>5,398</b>
<b>TOTAL INDIVIDUALS &amp; FACILITIES</b>	<b>25,621</b>	<b>25,784</b>	<b>25,902</b>	<b>26,120</b>	<b>26,132</b>	<b>26,405</b>

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*New Licenses:*

License Type	Jan-16	Feb-16	Apr-16	May-16	Jun-16
<b>Individuals (Persons)</b>					
<b>Broker</b>	165	200	199	178	234
<b>Principal Broker</b>	7	10	5	3	8
<b>TOTAL BROKERS</b>	172	210	204	181	242
<b>Property Manager</b>	9	10	9	5	13
<b>MCC Salesperson</b>		0	3	1	2
<b>MCC Broker</b>					
<b>TOTAL INDIVIDUALS</b>	181	220	216	187	257
<b>Facilities (Companies)</b>					
<b>REMO</b>	0	0	1		
<b>Registered Business Name</b>	18	21	24	24	23
<b>Registered Branch Office</b>	5	8	13	3	11
<b>PBLN</b>	1	6	2	4	3
<b>PMLN</b>	3	5	1	2	4
<b>Escrow Organization</b>	0	0			0
<b>Escrow Branch</b>	0				0
<b>MCC Operator</b>					
<b>TOTAL FACILITIES</b>	27	40	41	33	41
<b>TOTAL INDIVIDUALS &amp; FACILITIES</b>	208	260	257	220	298
<b>CEP</b>	6	5	4	4	4

Peter Bale (Investigator/Auditor) has announced his retirement. His last day with OREA will be Friday, August 12, 2016.

Selina Barnes will be presenting "Tips for Staying Out of Trouble with the Agency" following this board meeting.

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