



Oregon

Kate Brown, Governor

AGENDA ITEM NO.

I.D.

Real Estate Agency
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State of Oregon Real Estate Agency

REAL ESTATE BOARD

Regular Meeting Minutes

October 3, 2016

MEMBERS PRESENT:

Chris Hermanski, Chair
Jef Farley
Alex MacLean
Lawnae Hunter
Dave Koch

MEMBERS ABSENT:

Coni Rathbone, Vice-Chair
Pat Inhat
Marcia Edwards
Joann Hansen

OREA STAFF PRESENT:

Gene Bentley, Commissioner
Dean Owens, Deputy Commissioner
Selina Barnes, Regulations Division Manager
Anna Higley, Business and Technical Services Manager
Madeline Alvarado, Customer Service Manager
Leandra Hagedorn, Board Liaison

GUESTS PRESENT:

Johanna Altorfer, OMNI Realty Group
Laura Bilyeu, Bilyeu and Co. Real Estate
Bernice Brownlow, Coldwell Banker Seal
Niels Brownlow, Coldwell Banker Seal
Joan Buccino, Garden Gate Properties
Sue Caicedo, Windermere Bridgeport Realty G
Sam Chapman, New Economy Consulting
Bonny Crowley, Portland Principal Realty LLC
Lorraine DeDonato, Windermere Bridgeport Realty G
Michele Gila, Roots Realty
Michael Hobson, Berkshire Hathaway HomeService
Nicole Koen, Colliers International
Rob Levy, Keller Williams Realty Professionals
Shannon Lumley, Shannon Lumley, PBLN
Lane Mueller, Keller Williams Portland Center
Charles Oldham, StewartHomes& Land Inc.
Wayne Olson, Olson Group Real Estate
Victoria Owen, Kelly Right Real Estate
LeeAnn Pack, Pack 1st Properties, Inc.
Brian Purnell, Windermere Bridgeport Realty
David Richenstein, DAR Properties
Charles Smith, ZipRealty Resid. Brokerage
Viki Speer, Viki Speer Real Estate
David Stewart, Stewart Homs & Land, Inc.
Mary Tabor, Tabor Realty Group, LLC
Heidi Torkko, Cascade Sotheby's Int'l Realty
Janet Westcott, Oregon First
Mark Wheeler, Roots Realty

I. BOARD BUSINESS-Chair Hermanski

A. Call to Order. Chair Hermanski called the meeting to order at 10:10 am

B. Chair Hermanski comments/Roll Call. Chair Hermanski explained the role and function of the board and asked each board member to introduce themselves to the audience

C. Approval of the Agenda and Order of Business.

MOTION TO APPROVE AGENDA AND ORDER OF BUSINESS AS SUBMITTED BY JEF FARLEY

SECOND BY DAVE KOCH

MOTION CARRIED BY UNANIMOUS VOTE

D. Approval of the 8.1.16, regular draft meeting minutes.

MOTION TO APPROVE 8.1.16 REGULAR MEETING MINUTES APPROVED AS SUBMITTED BY

LAWNAE HUNTER

SECOND BY JEF FARLEY

MOTION CARRIED BY UNANIMOUS VOTE

E. Date of Next Meeting: 12.5.16 at the Oregon Real Estate Agency, Equitable Center, 530 Center St. NE, Suite 100 Salem, OR 97301 to begin at 10am

II. PUBLIC COMMENT-Chair Hermanski. Sam Chapman, Founding Partner of New Economy Consulting, Portland, Oregon explained that he is available to real estate industry members who have questions and/or issues regarding the rules and regulations related to transactions involving cannabis dispensaries. He also provided the board with the following contact information: Website: www.NecOregon.com Email: Sam@NecOregon.com Phone: 503-396-9062

- 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 excluded 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 WAIVER-Chair Hermanski. Waiver Request Log. None.

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

A. Michelle Moore, to appear in person – Ms. Moore explained that she had nine years of experience in providing continuing education courses covering the following topics: real estate consumer protection, risk management, dispute resolution, and negotiation, which are considered acceptable course topics. Dave Koch asked Ms. Moore if she was familiar with the record keeping requirements involved with being a provider and she responded that she was aware of the requirements.

MOTION TO APPROVE BY DAVE KOCH

SECOND BY LAWNAE HUNTER

MOTION CARRIED BY UNANIMOUS VOTE

V. BOARD ADVICE/ACTION-Commissioner Bentley. Commissioner Bentley asked Dave Koch to address the questions/issues that were raised at the PMAR Risk Management Group meeting and OAR Convention. Mr. Koch introduced Exhibit A (OREA Board Meeting) which summarized the information discussed at both PMAR & OAR meetings. Commissioner Bentley clarified that the Agency's primary role is to protect the consumer rather than educate brokers and he also explained that the Agency is responsible for reporting the KPM (key performance measure) regarding the required education for licensees. Mr. Koch reviewed Exhibit A and also explained that more education might resolve the training issues. Commissioner Bentley agreed that although additional training would be beneficial, he also stated that the main issues related to supervision rather than lack of education. Jef Farley responded that the changes made to the broker exams increased the level of difficulty which results in licensees being more knowledgeable. Alex MacLean asked Commissioner Bentley if it would be beneficial to have two tests, one for commercial and one for residential brokers and Commissioner Bentley responded that out of the total number of active licensees, commercial brokers only make up 5 to 6 percent. Dave Koch stated that he agreed that the education process has improved and he also supported the concept of an endorsement such as a six month practical review that could be tailored to multiple licensee categories. Commissioner Bentley explained that this type of endorsement should emanate from OAR and industry members. Chair Hermanski and Lawnae Hunter both stated that a review of the process to become a property manager would also be beneficial for consumer protection. Chair

Hermanski concluded this agenda item by stating that the board was impressed with the ideas and willingness of the Agency to engage in this topic and find a forum that can create positive changes.

VI. COMMUNICATIONS-Chair Hermanski-Administrative Actions Summary. No discussion.

VII. REPORTS

A. Commissioner Gene Bentley

- License counts-Commissioner Bentley summarized licensing statistics/counts
- Legislative concepts-The Agency convened a group in January to review ORS 696 which resulted in proposed housekeeping changes which will be presented to the Legislature in February.
- Rule review-The Agency is currently reviewing a rules and anticipate any changes will be housekeeping in nature and will not be modified until the latter part of 2017.
- Sanctions against licensees for violations-The Agency typically sends out an education letter to licensees who are found in violation of rules initially and if compliance does not occur a reprimand letter is sent and as a last resort temporary suspension or revocation may occur.
- CTA audits-The Agency has discovered misuse of funds and various other violations through the CTA audit process and in some cases a court appointed receiver has been appointed in an effort to make consumers whole.
- ARELLO Annual Conference-Agency staff members attended this conference in September and were able to network with other regulatory agencies on industry matters

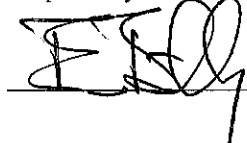
B. Agency division reports-Deputy Commissioner Dean Owens

1. Regulation – Selina Barnes. Ms. Barnes summarized the statistics provided in the board packet and reported that a tutorial on CTA reconciliations would be launching in the near future. She also announced the following staffing information: Peter Bale has retired from the Agency; two Recruitments for financial investigator positions will be posted soon; Rob Pierce has assumed the duties of a Compliance Specialist (lead investigator); Denise Lewis and Lindsey Nunes are Compliance Specialists who attended a background check training sponsored by OSP; Frances Hlawatsch and Jeremy Brooks attended the Digital evidence training; and Lindsey Nunes, Aaron Grimes, and Philip Johnson will all be attending the ARELLO Investigator Workshop later this Month.
2. Land Development Division – Deputy Commissioner Dean Owens explained that the Land Development division is responsible for condominium filings, timeshare registry, membership campgrounds, homeowner and condo association annual reports, stated that filings have slightly increased, and he also summarized the statistics provided in the board packet.
3. Education, Business and Technical Services Division – Dean Owens introduced OREA staff members Anna Higley, Business and Technical Services Manager and Madeline Alvarado, Licensing Customer Service Manager. Mr. Owens also provided a budget update and summarized the statistics provided in the board packet.

II. ANNOUNCEMENTS - Chair Hermanski. Next board meeting: 12.5.16 at the Oregon Real Estate Agency, Equitable Center, 530 Center St.NE, Suite 100, OR 97301 to begin at 10am

III. ADJOURNMENT - Chair Hermanski. Meeting adjourned 12:24pm

Respectfully submitted:



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Exhibits distributed:
OREA Board Meeting, and *Agenda Item No. Exhibit A.*