AGENDA ITEM NO. I.C.

Notice of Agenda

OREGON REAL ESTATE BOARD

Regular Meeting Agenda

Rogue Regency Inn & Suites
2300 Biddle Rd.
Medford, OR  97501

October 8, 2018

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

I. BOARD BUSINESS – Chair Farley
   A. Call to Order
   B. Chair Farley comments/Roll Call
   C. Approval of the Agenda and Order of Business
   D. Approval of 8.6.18, regular meeting minutes
   E. Date of the Next Meeting: 12.03.18 at the Oregon Real Estate Agency, 530 Center St. NE, Salem, OR  97301 to begin at 10am.

II. PUBLIC COMMENT – Chair Farley
   • This time is set aside for persons wishing to address the Board on matters not on the agenda. Speakers will be limited to five minutes.
   • The Board Chair reserves the right to further limit or exclude repetitious or irrelevant presentations. If written material is included, 12 copies of all information to be distributed to board members should be given to the Board Liaison prior to the meeting.
   • Action will not be taken at this meeting on citizen comments. The Board, however, after hearing from interested citizens, may place items on a future agenda so proper notice may be given to all interested parties.
   • If no one wishes to comment, the next scheduled agenda item will be considered.

III. REQUESTS FOR WAIVERS – Chair Farley. Waiver request log. None.

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER – Chair Farley - Approval of petition log.
   A. Lumen Mortgage Corporation, David Blackmon will appear by phone.
   B. HD Home Inspections LLC, Russell Lucas will appear by phone.
   C. Scott Harris will appear by phone.

V. BOARD ADVICE/ACTION – Acting Commissioner Owens
   A. 12.3.18 Board Meeting

VI. NEW BUSINESS – Chair Farley

VII. COMMUNICATIONS – Administrative Actions Summary – Chair Farley

VIII. REPORTS – Chair Farley
   A. Agency division reports-Acting Commissioner Dean Owens-Budget update
      1. Regulation Division – Selina Barnes
      2. Land Development Division – Dean Owens
      3. Education, Licensing, and Administrative Services Division – Anna Higley and Maddy Alvarado

IX. ANNOUNCEMENTS – Chair Farley. Next board meeting: 12.03.18 at the Oregon Real Estate Agency, 530 Center St. NE, Salem, OR  97301 to begin at 10am.

X. ADJOURNMENT – Chair Farley

Interpreter services or auxiliary aids for persons with disabilities are available upon advance request.
OREGON REAL ESTATE BOARD

Regular Meeting Minutes
Red Lion Hotel
304 SE Nye Ave.
Pendleton, OR 97801
Monday, August 6, 2018

BOARD MEMBERS PRESENT:
Jef Farley, Chair
Debra Gisriel
Dave Hamilton
Dave Koch
Alex MacLean

BOARD MEMBERS ABSENT:
Lawnae Hunter, Vice Chair, excused
Coni Rathbone, excused
Jose Gonzalez, excused
Pat Ihnat, excused

OREA STAFF PRESENT:
Dean Owens, Acting Commissioner
Selina Barnes, Regulations Division Manager
Michael Hanifin, Land Development Division Manager

GUESTS PRESENT:
Kerry Baird, Turn Here Realty and Travel
Jerry Baker, Coldwell Banker Whitney & Assoc.
Dawn Blalack, Coldwell Banker Whitney & Assoc.
Candace Bowman, Unit ed Country Oregon Trail
Michael Boylan, American West Prop.
Andrew Bryan, Baker City Realty, Inc.
Ann Burnside, Clark and Jennings & Assoc. OR
Vicki Dick, Coldwell Banker Whitney & Assoc.
Mark Londo, Earley, Whitney Land Co.
Thomas Ellenson, John L. Scott Bend
Nathan Good, Coldwell Banker Whitney & Assoc.
Kevin Hale, Coldwell Banker Whitney & Assoc.
Haley Hines, RE/MAX Real Estate Team
John Howard, John J. Howard & Associates
Tracy Hunter, Universal Realty
Gary Jellum, Whitney Land Co.
Russell Lester, John J. Howard & Associates
Ned Londo, Clark and Jennings & Assoc. OR
Mark McLaughlin, Clark and Jennings & Assoc. OR
Milene McLaughlin, Clark and Jennings & Assoc. OR
Marsha Morgan, Coldwell Banker Whitney & Assoc. OR
Linda Seavert, Universal Realty
Linda Smith, Tatone Smith RE Group LLC
Heidi Torkko, Pink Dot Properties LLC
Natallie Turner, Universal Realty
Teresa Uriarte, Uriarte Realty
Jason VanNice, Cold Banker Whitney & Assoc.
Molly Webb, Coldwell Banker & Whitney & Assoc.
Nancy Walekli
Kim Life
I. BOARD BUSINESS – Chair Farley
   A. Call to Order. Chair Farley called the meeting to order at 10am.
   B. Chair Farley comments/Roll Call. Chair Farley asked the board liaison to take roll call, board members to introduce themselves, and explained the role/function of the board.
   C. Approval of the Agenda and Order of Business.

MOTION TO APPROVE AGENDA AND ORDER OF BUSINESS AS SUBMITTED BY DAVE HAMILTON
SECOND BY ALEX MACLEAN
MOTION CARRIED BY UNANIMOUS VOTE

D. Approval of 6.4.18 regular meeting minutes.

MOTION TO APPROVE 6.4.18 REGULAR MEETING MINUTES AS SUBMITTED BY DAVE KOCH
SECOND BY DEBRA GISRIEL
MOTION CARRIED BY UNANIMOUS VOTE

E. Date of the Next Meeting: 10.8.18 at the Rogue Regency Inn & Suites, 2300 Biddle Rd., Medford, OR 97501, to begin at 10am.

II. PUBLIC COMMENT – Chair Farley. 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.

III. REQUESTS FOR WAIVERS – Chair Farley. None

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Chair Farley. None.

V. NEW BUSINESS – Chair Farley. Chair Farley and Acting Commissioner Owens gave an overview of a typical meeting agenda which included requests for waivers and petitions to qualify as a continuing education provider.

VI. COMMUNICATIONS – Administrative Actions Summary – Chair Farley. Mr. Owens summarized the administrative actions process included in the board meeting packets.

VII. REPORTS – Chair Farley
   A. Acting Commissioner Dean Owens
   B. Agency division reports – Acting Commissioner Dean Owens
      1. Regulation Division – Selina Barnes. Ms. Barnes reviewed the statistics and information provided in the written report and also explained the complaint process. She
      2. Land Development Division – Michael Hanifin. Mr. Hanifin summarized the statistics and information provided in the written report, explained the various processes within his division, provided an update on current legislation, and the rulemaking/legislation process.
      3. Education, Licensing, and Administrative Services Division – Anna Higley and Maddy Alvarado. Mr. Owens provided the report in the absence of Ms. Higley and Ms. Alvarado. He summarized the statistics and information provided in the written report and a budget update. Mr. Owens also announced the recruitment for filling the vacant Commissioner position has been posted.

VIII. ANNOUNCEMENTS – Chair Farley. Next board meeting: 10.8.18 at the Rogue Regency Inn & Suites, 2300 Biddle Rd., Medford, OR 97504.

IX. ADJOURNMENT – Chair Farley.

Respectfully submitted,

DEAN OWENS, ACTING COMMISSIONER JEF FARLEY, BOARD CHAIR
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<tr>
<td>6.6.16</td>
<td>Kenneth Holman</td>
<td>WITHDRAWN</td>
<td>Mr. Holman withdrew his petition and indicated his intention to re-petition the board as a trade association at a later date.</td>
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<td>6.6.16</td>
<td>CMPS Institute (Gibran Nicholas)</td>
<td>APPROVED</td>
<td><strong>FACTS</strong>: 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. <strong>DISCUSSION</strong>: None. <strong>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</strong></td>
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<td>10.3.16</td>
<td>Michelle Moore</td>
<td>APPROVED</td>
<td><strong>FACTS</strong>: 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. <strong>DISCUSSION</strong>: None. <strong>MOTION TO APPROVE BY DAVE KOCH SECOND BY LAWNAE HUNTER MOTION CARRIED BY UNANIMOUS VOTE</strong></td>
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<td>12.05.16</td>
<td>Brix Law LLP</td>
<td>APPROVED</td>
<td><strong>FACTS</strong>: Laura Craska Cooper and Brad Miller appeared by phone and Mr. Miller explained Brix Law LP specializes in real estate and land use transactions and both he and Ms. Craska Cooper had an extensive amount of experience in the following areas: real estate leasing, acquisitions, development, financing, general business, and negotiations. Chair Hermanski asked Mr. Miller and Ms. Craska Cooper if they were familiar with the record keeping requirements as a certified education instructor and Mr. Miller responded that they were familiar this requirement. <strong>DISCUSSION</strong>: None. <strong>MOTION CARRIED BY UNANIMOUS VOTE</strong></td>
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<td>02.06.17</td>
<td>Systems Effect LLC</td>
<td>APPROVED</td>
<td><strong>FACTS</strong>: Mr. Jordan appeared by phone and explained that Systems Effect LLC is a distance learning company that has been in business since 2008 and is currently approved to provide real estate continuing education courses in Arizona, Kansas, Minnesota, Missouri, and Ohio. He also stated that the courses offered cover the following acceptable topics: Principal broker record keeping and supervision, trust accounts, agency relationships, misrepresentation, disclosure, contracts, appraisal, fair housing, risk management, water rights, environmental protection, land use, real estate law, negotiation, and others. Dave Koch asked Mr. Jordan if a tracking device was in place to monitor class time and he responded that there is a timer in place to verify that students meet the required course time. Alex MacLean asked Mr. Jordan if there is a resource for student assistance with questions they might have and Mr. Jordan responded that there is a FAQ information, email system, and staff available for students. <strong>DISCUSSION</strong>: None. <strong>MOTION CARRIED BY UNANIMOUS VOTE</strong></td>
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<td>02.06.17</td>
<td>American Dream Real Estate School LLC</td>
<td>APPROVED</td>
<td><strong>FACTS</strong>: Herbert Nagamatsu appeared by phone and explained that American Dream Real Estate School created, administered and delivered online courses and training programs to students since 2005. He also stated that the courses offered cover the following acceptable topics: Contracts, Risk Management, and real estate finance. Dave Koch asked Mr. Nagamatsu how he derived the questions for the courses and he responded that the topics covered meet with rule and law. Alex MacLean asked Mr. Nagamatsu how students communicate with instructors he responded that contact information for instructors is posted online for students. Mr. Koch asked Mr. Nagamatsu how class time was tracked and he responded timing mechanisms were in place behind the scenes. Mr. Koch also asked Mr. Nagamatsu to explain his record keeping process and he responded records are kept for minimum of 3 years and backup for seven years. <strong>DISCUSSION</strong>: None. <strong>MOTION CARRIED BY UNANIMOUS VOTE</strong></td>
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02.06.17  Asset Preservation Inc.  APPROVED  FACTS:  Elisa Mas appeared by phone and explained that Asset Preservation, Inc. has provided 1031 exchange courses for continuing education to real estate professionals all over the nations for over 25 years and was also approved to teach continuing education courses in Texas, New York, Florida, Colorado, Washington, Oklahoma, New Jersey, and Arizona as well as Oregon, previously. She also stated that the courses offered cover the following acceptable topics: Real estate taxation and Real Estate Finance. Alex MacLean asked Ms. Mas when her company was certified and she responded approximately one year ago. Mr. MacLean also asked Ms. Mas if her company was currently certified and if not, to explain the gap in time. Ms. Mas explained the previous administrator was expired and now they want to be certified again.

DISCUSSION:  None.

02.06.17  Military Mortgage Boot Camp  APPROVED  FACTS:  Mike Fischer appeared by phone and explained the current class offered is a 2 or 3 hour version which covers appraisal, VA assistance, and transaction coordination. Chair Edwards asked Mr. Fischer which acceptable topics were covered in the courses offered and he responded that consumer protection was the topic covered. Dave Hamilton stated he would like to see Oregon’s program incorporated in the course and Mr. Fischer responded they could incorporate Oregon’s program. Chair Edwards clarified that although, incorporating Oregon’s program was not a requirement or contingency, it was encouraged.

DISCUSSION:  None.

02.06.17  Fairway Independent Mortgage Corp.  APPROVED  FACTS:  Kate Myers appeared before the board and explained Fairway Independent Mortgage Corp. was one of the mortgage companies that is allowed to handle VA loans. Chair Edwards asked Ms. Myers which acceptable course topics are covered in their courses and she responded that real estate finance was the topic offered. Dave Koch asked Ms. Myers if there was a record keeping mechanism in place and she responded there is an administrator who would be assigned the record keeping duties.

DISCUSSION:  None.

04.03.17  Envoy  APPROVED  FACTS:  Mr. Varcak appeared by phone and explained he has taught first time home buyers courses and facilitated other trainings. He also said he teaches courses covering the topic of Real Estate Finance, which is an acceptable course topic. Mr. Varcak indicated that his goal was to provide a more structured training program through Envoy. Coni Rathbone asked Mr. Varcak if he has kept track of continuing education credits and he responded that although he had not kept track of credits in the past, he did review all the record keeping requirements and was prepared to follow them. Dave Koch of he intended to use instructors to provide variety of topics and Mr. Varcak responded that he did intend to utilize other instructors. Commissioner Bentley asked Mr. Varcak if he had considered being an instructor rather than a provider and Mr. Varcak responded that his company wanted to provide their own coursework.

DISCUSSION:  None.

04.03.17  Oregon Rental Housing Association Education Inc.  APPROVED  FACTS:  Ms. Pate appeared and explained ORHA Education Inc. is seeking a grant to provide supplemental education to landlords, tenants, and public education. Chair Edwards asked Ms. Pate which location records would be kept and she responded that she believed the Salem office located on Commercial St. would house the records. Commissioner Bentley asked Ms. Pate to clarify the topics that would be offered and she explained she intended to offer courses covering the following topics: Property management, advertising, any type of fair housing issue, real contracts, business ethics, and dispute resolution, which are all acceptable course topics.

DISCUSSION:  None.

06.05.17  Mason McDuffie Mortgage Corp.  APPROVED  FACTS:  Mason McDuffie Mortgage Corp., Jesse Rivera appeared by phone and explained that he used his experience as a former real estate agent and high school teacher as a way to build good relationships. Mr. Rivera also explained that he would be teaching the following topics during his classes: Real estate finance, contracts, advertising, how to manage brokers, and business ethics, which are all acceptable course topics.

DISCUSSION:  None.

8.7.17  Real Estate Training Institute, a division of Certified Training Institution  APPROVED  FACTS:  Real Estate Training Institute, a division of Certified Training Institution, Ms. Teri Francis and Jenny MacDowel appeared by phone and explained that CTI is a distance learning provider with a total of 16 real estate courses approved by ARELLO and cover the following topics: principal broker supervision responsibilities, agency relationships and responsibilities for broker, principal brokers, or property managers, disclosure requirements, consumer protection, real estate contracts, real estate taxation, fair housings laws or policy, business ethics, risk management, real estate finance, and environmental protections issues, which are acceptable course topics.  

DISCUSSION:  None.

10.02.17  Housing and Community Services Agency of Lane County  APPROVED  Mr. Baker explained he is the landlord liaison at HACSA and is in charge of maintaining the line of communication with landlords. He also stated that HACSA manages the section 8 program for all of Lane County. Mr. Baker explained the courses he offers cover the following topics: fair housing laws and policies, risk management, & advertising regulations, which are acceptable course topics.  Chair Edwards asked Mr. Baker if he was familiar with the recordkeeping
requirements for continuing education providers. Mr. Baker responded based on the recordkeeping requirements HACSA intends to maintain records both electronically and paper. Farley: Have you been offering courses both and working under a provider? Baker-currrently we are partnering with the rental owners association of Lane Co who is a licensed provider-the reason we are asking for our agency is basically not being able to offer classes to the public at large being able to only offer classes to members of the association as well as property managers having to pay for those credits-we want to offer those credits for free. Edwards: excellent resource in Lane County I appreciate your outreach efforts.

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<tr>
<td>10.02.17</td>
<td>Lumos Academy</td>
<td>APPROVED</td>
<td>Ms. Mueller explained Lumos is designed to provide exemplary real estate education and our goal is really to do our best to raise the competency level of the brokers throughout the State-better educated broker is better for the client-currently we have 3 instructors. Ms. Mueller explained that the courses offered by Lumos cover the following course topics: principal real estate broker supervision responsibilities, agency relationship and responsibilities, misrepresentation in real estate transactions, advertising regulations, real estate disclosure requirements, real estate consumer protection, fair housing, business ethics, risk management, dispute resolution, real estate escrow, real estate economics, real estate law and regulations, and negotiation, which are considered acceptable course topics.</td>
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<td>12.04.17</td>
<td>Jesse Rivera</td>
<td>APPROVED</td>
<td>Jesse Rivera appeared in person and explained that he has extensive experience as an instructor and the courses he currently offers include the following course topics: Contracts, compliance with social media, real estate finance, real estate valuation, &amp; negotiation, which are considered acceptable course topics. Ms. Rathbone asked Mr. Rivera what other topics he would be offering and he responded that he planned on giving instruction on advertising.</td>
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<td>12.04.17</td>
<td>Carl W. Salvo</td>
<td>APPROVED</td>
<td>Carl Salvo appeared by phone. Mr. Salvo explained that he had been in the industry since 1997 and has been asked by several industry members to teach classes. Chair Edwards asked Mr. Salvo if he was familiar with the record keeping requirements as a certified continuing education provider and he responded that he was familiar with the record keeping requirements. He also explained the courses he offered cover the following course topics: how rates are determined, loan estimation, &amp; appraisals, which are acceptable course topics.</td>
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<td>04.02.18</td>
<td>Stephanie Shapiro</td>
<td>APPROVED</td>
<td>FACTS: Ms. Shapiro explained she has been involved in some capacity of teaching since 2007. She also explained she has been teaching home energy classes and would like to expand her courses. Chair Farley asked Ms. Shapiro if her company provided services to real estate brokers and Ms. Shapiro indicated that she does provide services to real estate industry. Ms. Shapiro has taught courses under the following topics: consumer protection, disclosure requirements, and real estate law/regulation, which are acceptable course topics. DISCUSSION: None MOTION TO APPROVE MS. SHAPIRO'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE HAMILTON SECOND BY ALEX MACLEAN MOTION CARRIED BY UNANIMOUS VOTE</td>
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<td>04.02.18</td>
<td>Sirmon Training &amp; Consulting Group – Jason Sirmon</td>
<td>APPROVED</td>
<td>FACTS: Sirmon Training &amp; Consulting Group, Jason Sirmon will appear by phone. Mr. Sirmon explained that his goal was to educate licensees about veterans who are currently on active duty or recently discharged. Chair Farley asked Mr. Sirmon if he was aware he could provide courses as an instructor rather than an continuing education provider and Mr. Sirmon responded that his reason for his petition was based on his approval in 20 different states as a provider and since he is not an instructor it is difficult to manage out of state instructors. Mr. Sirmon offers courses that cover the following topics: NC Mandaotry Update, NC Broker-in-Charge Update, REBAC-Green and Sustainable Housing, REBAC-Short Sales and Foreclosures, Client-Level Negotiation, Commercial and Investment Real Estate, and Ethics in Today’s Real Estate, which are acceptable course topics. DISCUSSION: None MOTION TO APPROVE SIRMON TRAINING &amp; CONSULTING GROUP’S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY CONI RATHBONE SECOND BY DAVE HAMILTON MOTION CARRIED BY UNANIMOUS VOTE</td>
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<td>6.4.18</td>
<td>Finance of America Mortgage</td>
<td>Approved</td>
<td><strong>FACTS:</strong> Finance of America Mortgage, Austin Strode will appear in person. Christina Danish appeared by phone and explained the petition was based on the company specializing in reverse mortgages. She also explained that the company is responsible for educating the real estate professionals about reverse mortgage/home equity mortgage process. Chair Farley asked Ms. Danish if she was aware that her company could provide education in Oregon as an instructor and Ms. Danish responded she was not aware of this process. Ms. Danish explained the courses FAR offers cover the following topics: reverse mortgage and finance, which are considered acceptable course topics. <strong>DISCUSSION:</strong> None. <strong>MOTION TO APPROVE FINANCE OF AMERICA MORTGAGE’S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY PAT IHNAT SECOND BY DEBRA GISRIEL MOTION CARRIED BY UNANIMOUS VOTE</strong></td>
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<td>10.8.18</td>
<td>Lumen Mortgage Corporation</td>
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<td>10.8.18</td>
<td>Scott Harris</td>
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INSTRUCTIONS

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

IMPORTANT:

▶ If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.

▶ All information and documents submitted as part of this petition become part of the Board Packet, and therefore, public record.

▶ Petitioners will need to appear before the Board. This may be done in person or by phone. Once the Agency receives this completed petition, a letter will be sent to the petitioner with the date of the Board meeting the petitioner will need to attend.

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

PETITIONER

Name Lumen Mortgage Corporation Phone Number 503-966-9255

Physical Address 220 NW 8th Ave Address Cont.

City Portland State OR Zip Code 97209 County Multnomah

E-mail dblackmon@lumenmortgage.com

Mailing Address (if different) Address Cont.

City State OR Zip Code County

AUTHORIZED CONTACT PERSON

Prefix Mr. First Name David Last Name Blackmon

Phone Number 503-701-7653 E-mail dblackmon@lumenmortgage.com

Indicate who will appear before the board on behalf of the Petitioner: David Blackmon by Phone

AGENCY USE ONLY

Approved by Board YES NO

Review Date ______________
PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

QUALIFICATION INFORMATION

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

Information **MUST** include one or both of the following:
- Petitioner's demonstrated expertise and experience in providing educational courses to real estate licensees.
- Petitioner's demonstrated experience and expertise in two or more course topics eligible for continuing education credit under OAR 863-020-0035.

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

We are petitioning to become a continuing education provider with focus on the following 3 course topics:
(t) Real Estate Finance  (x) Condominiums and (z) Unit owner or home owner associations. Lumen Mortgage specializes in providing financing for condominiums and homes located in planned unit developments. Financing for condo's and homes located in PUDs is highly detailed and requires experienced, knowledgeable sales and fulfillment teams in order to analyze borrower qualifications and condo project qualifications as they pertain to underwriting guidelines and specific investor criteria. Our experienced staff works with HOA's and Real Estate professionals to analyze condominium projects and homes in PUDs for financing eligibility. Our continuing education courses will focus on indentifying the unique characteristics of community property ownership, how these characteristics relate to the various types of financing available, the potential problems, solutions and opportunes these unique properties present. Our condo approval team is dedicated and diligent to keeping up with the latest investor guidlines, legal issues, and how they relate to our local Oregon markets. We believe by sharing our knowledge and experience we can help real estate professionals to provide a higher level of service to their clients seeking to buy or sell community ownership real estate.

**AUTHORIZATION AND ATTESTATION**

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

David Blackmon

Printed Name of Authorized Individual

David Blackmon

Signature of Authorized Individual

Date 8/27/2018
INSTRUCTIONS

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

IMPORTANT:

4 If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.

4 All information and documents submitted as part of this petition become part of the Board Packet, and therefore, public record.

4 Petitioners will need to appear before the Board. This may be done in person or by phone. Once the Agency receives this completed petition, a letter will be sent to the petitioner with the date of the Board meeting the petitioner will need to attend.

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

PETITIONER

Name H D Home Inspections LLC Phone Number 560.903.0201
Physical Address 857 H. St Address Cont.
City Washougal State WA Zip Code 98671 County Clark
E-mail russell@hdhomeinspect.com
Mailing Address (if different) Address Cont.
City State Zip Code County

AUTHORIZED CONTACT PERSON

Prefix Mr First Name Russell Last Name Lucas
Phone Number 360 903 0201 E-mail russell@hdhomeinspect.com
Indicate who will appear before the board on behalf of the Petitioner:

AGENCY USE ONLY

Approved by Board YES NO
Review Date
My stated intention is to be a continuing education provider by providing at least two different types of classes according to OAR 863-020-0035.

The first class will be titled “Building components and Inspection Issues” and should qualify under the OAR Stipulation: n) Real estate property evaluation, appraisal, or valuation.

The second class is entitled “Oregon Standards of Practice for Home Inspectors” which should qualify under (ff) Real estate law or regulation.

Experience: I am a licensed, bonded and insured home inspector in Oregon (lic. #2089; ccb #218388) and Washington (#1953). I have a diverse inspection background. My experience with this field begins as an inspector for new construction homes having inspected more than 500 homes of varying types and sizes across the Portland/Vancouver area. I also am experienced with Form 1013 1-4 Unit Property Inspection Reports for defaulted Freddie Mac loans. I’ve conducted more than 1,000 inspections for home owner’s insurance companies like the Hartford, Travelers and Progressive for condition, liability and hazard issues. This also includes insurance inspection reports for commercial properties. As the owner and operator of HD Home Inspections LLC (5 star Google rating), I have experience inspecting manufactured homes, commercial property, condominiums, luxury homes and houses more than 100 years old. I am in my second year as an inspector and have inspected 103 homes to date.

CE Education Experience:

The classes I am proposing are actual classes I have already presented in more than a dozen “Lunch and Learn” environments. I am an approved instructor for First American Title Company and Windermere and have provided the class “Building Components and Inspection Issues” for credit. I am now petitioning the board to teach this class as a provider as well as ‘Oregon Standards of Practice for Home Inspectors”. The classes have been well received by new and seasoned agents alike.

For recommendations you can contact

Kim Chamness of Windermere kimchamness@windermere.com
Chad Robb of American Title Company crobb@firstam.com
Lorri Cox of WH Reality lorrie@whrealty.com
PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

**QUALIFICATION INFORMATION**

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

Information MUST include one or both of the following:

4. Petitioner’s demonstrated expertise and experience in providing educational courses to real estate licensees.

4. Petitioner’s demonstrated experience and expertise in two or more course topics eligible for continuing education credit under OAR 863-020-0035.

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

| Page 2 of 2 |

**AUTHORIZATION AND ATTESTATION**

4. I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.

4. I acknowledge that petitioner, or authorized individual on petitioner’s behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.

4. I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0050.

4. I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.

_Russell Lucas_

Printed Name of Authorized Individual

_Russell Lucas_

Signature of Authorized Individual

Date 9/10/2018
INSTRUCTIONS

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

IMPORTANT:
- If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.
- All information and documents submitted as part of this petition become part of the Board Packet, and therefore, public record.
- Petitioners will need to appear before the Board. This may be done in person or by phone. Once the Agency receives this completed petition, a letter will be sent to the petitioner with the date of the Board meeting the petitioner will need to attend.

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

**PETITIONER**

<table>
<thead>
<tr>
<th>Name</th>
<th>Scott Harris</th>
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<tbody>
<tr>
<td>Phone Number</td>
<td>503-568-9916</td>
</tr>
<tr>
<td>Physical Address</td>
<td>12040 SE Foster PL</td>
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<tr>
<td>Address Cont.</td>
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<td>City</td>
<td>Portland</td>
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<td>Zip Code</td>
<td>97266</td>
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**E-mail**: scott@propertyexam.com

**Mailing Address** (if different) **same**

| City          |              |
| State         |              |
| Zip Code      |              |
| County        |              |

**AUTHORIZED CONTACT PERSON**

<table>
<thead>
<tr>
<th>Prefix</th>
<th>Mr.</th>
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<tbody>
<tr>
<td>First Name</td>
<td>Scott</td>
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<tr>
<td>Last Name</td>
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</tr>
</tbody>
</table>

| Phone Number | 503-568-9916 |
| E-mail       | scott@propertyexam.com |

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

**AGENCY USE ONLY**

Approved by Board  YES  NO

Review Date  ________________

Page 1 of 2
I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.

I acknowledge that petitioner, or authorized individual on petitioner's behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.

I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0050.

I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.

Scott Harris
Printed Name of Authorized Individual

Date 9/11/18
Signature of Authorized Individual

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

Information MUST include one or both of the following:
- Petitioner's demonstrated expertise and experience in providing educational courses to real estate licensees.
- Petitioner's demonstrated experience and expertise in two or more course topics eligible for continuing education credit under OAR 863-020-0035.

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

Scott Harris is an experienced General Contractor and Industrial Trainer.
He is a licensed Home inspector in Oregon and Washington
He is an FHA Certified 203K Consultant.

course topics eligible for continuing education credit under OAR 863-020-0035:
Commercial real estate
Real estate property evaluation, appraisal, or valuation
Risk management
Real estate finance
Real estate development
Real estate economics

AUTHORIZATION AND ATTESTATION
- I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.
- I acknowledge that petitioner, or authorized individual on petitioner's behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.
- I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0050.
- I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.
September 24, 2018

RE: Real Estate Trainer Certification.

I’ve been an unlimited General contractor and home inspector for over 20 years. I’ve been in the Pacific Northwest for 15. I have a great deal of experience from my pasts as an industrial trainer and I have always made that part of my “process”. I have been teaching classes (see Realtor Classes offered by Propertyexam attachment) for several years. In the past I do the classes through one of several Title Companies. I am dissatisfied with this arrangement. The title companies have their own agenda at times and do not always keep track of the training and certification well. This always reflects badly upon me, as the trainer. I would like to be certified to do this training, on topics that I am a “subject matter expert”.

I am quite happy to provide any additional documentation on my qualifications, experience, course content or references that you may require.

Sincerely,

Scott Harris, CEO Propertyexam corp.
HUD 203K & Homestyle RENOVATION MORTGAGES (90 minutes)

- Covers the program process, rewards, and restrictions. Also covers the marketing potential and important relevance in today’s real estate market.

ANCILLARY HOME INSPECTION 1 (60 minutes)

- Covers the Oregon Wood Stove Law, new radon building requirements, and the truth about radon. Explores radon remediation techniques.
- Details the home inspection process, and explains how the home inspection, if handled correctly, can reduce stress, eliminate fear, and create a smooth buying process.

ANCILLARY HOME INSPECTION 2 (60 minutes)

- Explains infrared thermal imaging, environmental testing (mold & allergens), and moisture intrusion problems (and shows the effectiveness of thermal imaging in detecting problems).
- Details using the home inspection process as an effective marketing tool.

PORTLAND’S HOME ENERGY SCORE PROGRAM- UPDATED (90 minutes)

- A practical, honest and realistic point of view on this program
- How HES affects the local Market and how to work with it
- Covers the new City of Portland Home Energy Score Requirements
- Explores the scoring model and explains which attributes impact the score the most.

GREEN BUILDINGS (60 minutes)

- Covers energy audits, energy efficient remodeling, the Oregon Energy Trust programs. Looks at basic principles of building science, thermodynamics, and energy efficiency.
- Details the real economic and sustainable benefits of energy performance upgrades and retrofits.
MANAGING THE HOME INSPECTION FOR REALTORS (2 hours)

The home inspection is one of the most crucial parts of the home buying process. Offers are finalized or revoked as a result of a home inspector’s report. A home inspection can be a source of anxiety for buyers, sellers, and real estate agents. However, real estate agents can ease some of their clients’ anxieties by helping them to be better educated and prepared for the home inspection process. A good home inspection should be thorough so that all parties have confidence when completing the home buying process.

Understanding Lead and Mold Tests: What Real Estate Agents Need to Know (90 Minutes)

The presence of lead or mold in a home can derail the home buying process. Participants of this course will learn common characteristics of lead and mold found in homes and health issues associated with both. The instructor will assist participants through mold and lead testing. Real estate agents who take this course will be better equipped to communicate the implications and importance of mold and lead testing to their clients and will leave the course with strategies to diminish the impact of mold and lead when buying and selling a property.

Commercial Property Inspections (90 minutes)

This course presents an overview of a professional, complete commercial property inspection to ASTM standards. It will compare this to the method of having property evaluated by multiple specialty contractors. The gaps that will typically leave in the property analysis and the potential problems this can create. How to provide comprehensive “due diligence” in a timely fashion that protects everyone. The need for Cost projections for financial planning and valuation. Current technology that can help analyze property like Infrared and environmental testing.

Other specialized classes are available upon request (Ex: Wells, Septic, Rural Properties).
ADMINISTRATIVE ACTIONS
Reported
07/24/2018 through 9/25/2018

REVOCATIONS
Blacklaw, Dena (Albany) Property Manager 200810163, Default Order dated August 13, 2018, issuing a revocation.

Uzuegbunam, Tony (Oregon City) Broker 201107040, Stipulated Order dated September 7, 2018, issuing a revocation.

SUSPENSIONS
Reger, Craig (Portland) Principal Broker 970300201, Stipulated Order dated August 28, 2018, issuing a 60 day suspension with education.

Morrisson, Andrea (Beaverton) Broker 201005065, Stipulated Order dated August 28, 2018, issuing a 30 day suspension with education.

REPRIMANDS
Cox, Terrie (Vancouver) Broker 930100033, Stipulated Order dated August 14, 2018, issuing a reprimand.


Walsh, Abraham (Clackamas) Property Manager 201213877, Stipulated Order dated August 29, 2018, issuing a reprimand with education.

Edmondson, Jeffrey (Tualatin) Principal Broker 200802126, Stipulated Order dated September 25, 2018 issuing a reprimand with education.

LIMITED LICENSE
Chapman, Lucinda (Newport) Principal Broker 930300235, Stipulated Order dated September 7, 2018, issuing a limited license 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

Spink, Cory (Sheridan) Broker 201217354, Stipulated Order dated August 9, 2018 levying a $2,100 civil penalty for unlicensed activity.

O’Hara, Toni (Prineville) Property Manager 200407225, Stipulated Order dated August 15, 2018 levying a $18,800 civil penalty for unlicensed activity.
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

DENA LE BURIAN BLACKLAW

FINAL ORDER BY DEFAULT

1. On May 29, 2018, the Real Estate Commissioner issued, by certified mail, a Notice of Intent to Revoke Blacklaw’s real estate property manage license. The Oregon Real Estate Agency (Agency) sent the notice of intent to Blacklaw’s last known address of record with the Agency. The notice of intent was also mailed to Blacklaw by regular first class mail in a handwritten envelope.

1.2 The certified mailing of the Notice of Intent and the first class mailing of the Notice of Intent were sent to Blacklaw at PO Box 3027, Albany, OR 97321. Both mailings have been returned to the Agency.

1.3 On July 16, 2018, additional mailings of the Notice of Intent were mailed out to 5623 Peterson Ln NE, Albany, OR 97322 (the physical address of record for Blacklaw) and also to 623 Clover Ridge Rd, NE, Albany Oregon 97322 (Blacklaw’s mother’s residence). The July 16, 2018 mailings consisted of a certified mailing and a handwritten envelope sent first class mail for each of the additional addresses.

1.4 The Notice of Intent was also emailed to Blacklaw on July 16, 2018, at her email address on record with the Agency.

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

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

///
2.
Based upon the foregoing and upon a review of the above described investigation reports, documents and files, the Real Estate Commissioner finds:

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

2.2 Blacklaw’s last known address of record with the Agency was PO Box 3027, Albany, OR 97321.

2.3 A certified mailing of the Notice of Intent was mailed to Blacklaw at her last known address of record on May 29, 2018. The Notice of Intent was also mailed on the same day to Blacklaw by regular first class mail in a handwritten envelope. The certified mailing of the Notice was returned to the Agency marked “Return to Sender Unclaimed Unable to Forward Return to Sender.”

2.4 The mailing in the handwritten envelope was also returned to the Agency. In accordance with ORS 40.135(1)(q), there is a presumption that the mailing properly addressed and placed with the U.S. Postal Service was delivered. The handwritten mailing was returned marked, “Return to Sender Not Deliverable As Addressed Unable to Forward.”

2.5 On July 16, 2018, additional mailings of the Notice of Intent were mailed out to 5623 Peterson Ln NE, Albany, OR 97322 (the physical address of record for Blacklaw) and also to 623 Clover Ridge Rd, NE, Albany Oregon 97322 (Blacklaw’s mother’s residence). The July 16, 2018 mailings consisted of a certified mailing and a handwritten envelope sent first class mail for each of the additional addresses. Neither of these mailings have been returned to the Agency.

2.6 The Notice of Intent was also emailed to Blacklaw on July 16, 2018, at her email address on record with the Agency.

2.7 Over twenty (20) days have elapsed since the mailing of the notice and no written request for a hearing has been received.

///
2.8 Pursuant to ORS 696.775, the expiration of Blacklaw's license does not prohibit the Commissioner from proceeding with further action.

3.

FINDINGS OF FACT

&

CONCLUSIONS OF LAW

3.1 Blacklaw was licensed as a real estate property manager doing business under the registered business name of Unique Property Management (UPM). Blacklaw's license was formerly associated with Superior Property Management Services (SPMS) and Blacklaw later transitioned to UPM on August 22, 2011.

3.2 On December 5, 2017, OREA received a complaint from Jay and Christina Bergmann (Bergmanns) regarding Blacklaw. The complaint alleged they received late rent proceeds several times, and reported in one instance, a check failed to clear due to insufficient funds. Additionally, Bergmanns alleged they did not receive the security deposits, tenant rental agreement or keys after termination of the property management agreement. OREA opened an investigation.

3.3 On December 7, 2017, OREA sent Blacklaw a letter requesting a response to the complaint by December 21, 2017. Blacklaw did not respond to the request nor contact OREA by the deadline. Blacklaw in general did not cooperate with the investigation. She failed to respond to emails and letters requesting contact. OREA Investigator/Auditor Jeremy Brooks made multiple visits to her residence to attempt contact. Blacklaw did send a 25 page fax to OREA, but this was the only contact she had with OREA during the investigation.

3.4 OREA records indicate Blacklaw failed to register any clients' trust accounts with OREA from the time Blacklaw associated her license with UPM on August 22, 2011.
Violation: By failing to open and maintain at least one clients’ trust account, Blacklaw violated ORS 696.301(3) as it incorporates OAR 863-025-0025(2) (1-1-18, 11-15-16, 5-15-14, 4-1-13, 9-14-12, 9-1-11, 4-15-11 Editions) which requires a property manager to open and maintain at least one clients’ trust account as defined in OAR 863-025-0010. Blacklaw also failed to properly register clients’ trust accounts with OREA, violating ORS 696.301(3) as it incorporates ORS 696.241(4) (2011, 2013, and 2015 Editions), and ORS 696.301(3) as it incorporates ORS 696.245(2) (2017 Edition), which requires a property manager to register and notify OREA of each clients’ trust account within 10 business days after the date the account is opened.

3.5 On January 25, 2011, Bergmanns entered into a property management agreement with SPMS to manage their property at 1892 NW Laura Vista Drive, Albany, OR (subject property). The property management agreement indicated the property manager was to hold and maintain the security deposits. The property management agreement required the property manager to, “Mail rent payment to “Owner” via U.S. Postal Service by the 10th of the month unless notified, including any invoices, statements and notification pertinent to the dwellings(s), unit(s), property.”

3.6 On August 15, 2017, Blacklaw sent Jay Bergmann a text indicating there may be a problem with the August 2017 rent proceeds check. Multiple text messages were sent from Jay Bergmann to Blacklaw regarding the August 2017 rent proceeds. Jay Bergman received several automated text responses from Blacklaw stating she was driving at the time. Blacklaw sent one text message indicating her car had broken down when she was out of town delaying her from dealing with the issue.

3.7 During the first week of September 2017, Bergmanns sent UPM a letter terminating their property management agreement. The letter stated they had not received the rent payment from August. Bergmanns requested Blacklaw to return the $1,500 security deposit and the $1,500 prepaid last month’s rent along with the $1,365 due for August rent. The letter requested Blacklaw to forward the total amount due, $4,356.00, rental agreement, and keys to Diversified Property Management no later than September 20, 2017.

/\
3.8 Bergmanns finally received the August 2017 rent check from Blacklaw. From the
documentation collected during the investigation, it appears that the tenants did not pay
Blacklaw the prepaid last month’s rent.

(2) **Violation:** By failing to timely deliver the August 2017 rent proceeds to the Bergmanns,
Blackman violated 696.890(4)(a), (d), and (e) (2015 Edition) which states a property manager
owes the property owner the following affirmative duties: (a) to deal honestly and in good faith;
(d) to account in a timely manner in all matters relating to trust funds; and (e) to act in a
fiduciary manner in all matters relating to trust funds. Blacklaw’s conduct is grounds for
discipline under ORS 696.301(12) and (15).

3.9 In Bergmann’s December 2017 complaint, Bergmanns stated Blacklaw had not
provided the keys to the subject property, the rental agreement, the tenants’ security deposit of
$1,500, or the $500.00 pet deposit.

3.10 On January 8, 2018, Brooks interviewed Jay Bergmann. Bergmann said in his
interview, Blacklaw still had not sent him the $1,500 security deposit, $500.00 pet deposit,
tenants’ lease and keys to the subject property. Tenants of the subject property confirmed
they had paid Blackman a total of $2,000.00 in security deposits.

(3) **Violation:** By failing to provide the tenants’ security deposit, pet deposit and tenant
rental agreements to the property owner or new property manager after the termination of the
property management agreement within 60 days, Blacklaw violated ORS 696.301(3) as it
incorporates OAR 863-025-0070(2)(b)(D) and (E)(11-15-2016 and 1-18-2018 Editions) which
requires a property manager not later than 60 days after the effective date of the termination to
(b) provide the owner with the following: (D) all tenant security deposits and fees held for
tenants, unless the owner directs the property manager, in writing, to provide such documents
to another property manager, escrow agent, or person and (E) copies of all current tenant
rental or lease agreements, unless the owner waives such requirement in writing or directs the
property manager, in writing, to provide such documents to another property manager, escrow
agent or person. Blacklaw also violated ORS 696.890(4)(a), (d), and (e) (2015 Edition) and
ORS 696.301(3) as it incorporates ORS 696.890(4)(a), (d), and (e) (2017 Edition), which state
a property manager owes the property owner the following affirmative duties: (a) to deal
honestly and in good faith; (d) to account in a timely manner in all matters relating to trust
funds; and (e) to act in a fiduciary manner in all matters relating to trust funds. In regards to violations of ORS 696.890(4)(a), (d), and (e) (2015 Edition), Blacklaw’s conduct is grounds for discipline under ORS 696.301(12) and (15).

3.11 OREA Investigator/Auditor Jeremy Brooks (Brooks) made multiple contact attempts to reach Blacklaw. Several request for production of record letters were left at Blacklaw’s address of record, and emailed to Blacklaw. The records were required to be received no later than January 9, 2018.

3.12 Per production request letter, Blacklaw was required to produce the following records for the time period of July 2017 through October 2017:

- General ledger for clients’ trust accounts and security deposits
- Tenant and owner ledgers
- Bank statements for clients’ trust accounts and security deposits account
- Monthly three way reconciliations
- All tenant lease agreements within the requested timeframe

3.13 On January 9, 2018, Blacklaw sent a 25 page fax to OREA in response to the OREA’s letter requesting records.

3.14 In her cover letter with the fax, Blacklaw stated she was going through her records, some which were in storage. She indicated she also had computer issues several months back and some documentation had been lost and she had been trying to regenerate them.

3.15 In her documentation, Blacklaw stated as of the end of September, she no longer had many tenants or owners. She included a copy of a letter dated October 1, 2017, which she said she had previously sent to the “Real Estate Board,” (never received by OREA), which stated she would be closing UPM, and would keep the files in storage.

3.16 Regarding her bank statements, she said she was unable to get into her computer to copy the bank statements, and would be going to the bank to obtain the records and send them in to OREA at a later date. Blacklaw never produced the requested bank statements to OREA.
3.17 Blacklaw produced the following documents in her fax

- Owner “Reconcil” for the months of July 2017 and August 2017 (provided for 4 different properties)
- Owner invoices for July 2017 and August 2017 (provided for 4 different properties)
- Rental Agreements (provided for 3 of the 4 properties)

(4) Violation: By failing to properly maintain her property management records, Blacklaw violated ORS 696.301(3) as it incorporates ORS 696.280 (1) and (3) (2015 Edition) which requires: (1) the property manager to maintain complete and adequate records of all professional real estate activity conducted by the property manager; and (3) records to be open for inspection by the Real Estate Commissioner or commissioner’s authorized representatives. Blacklaw also violated ORS 696.301(3) as it incorporates ORS 696.280(4)(c) (2015 Edition) which requires records to be maintained for a period of not less than six years after the following date: (c) for management of rental real estate, the date on which the record expired, was superseded or terminated, or otherwise ceased to be in effect.

Blacklaw also violated ORS 696.301(3) as it incorporates OAR 863-025-0035(1)(b), (c),(d),(e),(f), and (h), (11-15-16 Edition), which states (1) the property manager’s records of the management of rental real estate are “complete and adequate” as required under ORS 696.280 if the records contain, at least the following: (b) client trust account and security deposit account records as required by OAR 863-025-0000 to 863-025-0080 and Chapter 696; (c) and owner’s ledger for each property management agreement; (d) a record of receipts and disbursements or check register maintained for each clients’ trust account or security deposits account; (e) a legible copy of each tenant agreement; (f) a tenant’s ledger for each tenant; (h) all paid bills and receipts required under OAR 863-025-0040(8).

3.18 The reconciliations Blacklaw faxed to OREA were incomplete (lacked the required 3 components) and did not contain any information regarding clients’ trust accounts, ledger balances, or check register/record of receipt and disbursement balances as requested by OREA’s request for record production letter.
Violation: By failing to properly reconcile the clients’ trust account and security deposits account Blacklaw violated ORS 696.301(3) as it incorporates OAR 863-025-0025(20) and (21) (11-15-2016 Edition) which requires a property manager to reconcile each clients’ trust account and security deposits account within 30 calendar days of the date of the bank statement with the three required components contained in the reconciliation document.

3.19 After the January 9, 2018, fax from Blacklaw, Brooks made multiple contact attempts to reach Blacklaw to discuss the investigation. Blacklaw has not responded to OREA.

3.20 All of the above demonstrate incompetence or untrustworthiness for which Blacklaw is required to hold a license.

Violation: ORS 696.301(12) (2015 and 2017 Editions), which states a licensee’s real estate license may be disciplined if they have demonstrated incompetence in performing any act for which the licensee is required to hold a license.

The above violations are grounds for discipline pursuant to ORS 696.301. Based on these violations, OREA is revoking Blacklaw’s property manager license. A revocation is appropriate under ORS 696.396(2)(c)(B) (2017 Edition). According to ORS 696.396, OREA may revoke a real estate license if material facts establish a violation of a ground of discipline under ORS 696.301 that exhibits incompetence in the performance of professional real estate activity.
ORDER

IT IS HEREBY ORDERED that Blacklaw’s property manager license is revoked.

Dated this 13th day of August, 2018.

OREGON REAL ESTATE AGENCY

DEAN OWENS
Acting Real Estate Commissioner

Date of Service: 8/13/2018

NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by filing a petition for review within 60 days from the date of service of this order. Judicial review is pursuant to the provisions of ORS 183.482.
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

TONY IYKE UZUEGBUNAM

STIPULATED FINAL ORDER

The Real Estate Agency (Agency) and Tony iyke Uzuegbunam (Uzuegbunam) do hereby agree and stipulate to the following:

FINDINGS OF FACT

&

CONCLUSIONS OF LAW

1.

1.1 On September 6, 2016, the Agency received a complaint from Nancy Carnahan (Carnahan) alleging a former broker under her company, Uzuegbunam, created a false sales agreement in order to activate an escalation clause of another offer. On September 16, 2016, the Agency received a second complaint regarding Uzuegbunam and the transaction.

1.2 Uzuegbunam held a broker license and worked under John L. Scott Portland South until August 19, 2016. Uzuegbunam’s broker license has now lapsed.

1.3 On June 16, 2016, Chris George (George) signed a listing agreement with Uzuegbunam to represent him in the sale of his home located at 11767 SE 118th Dr. Clackamas, OR 97015. The listing price was for $325,000.

1.4 On June 28, 2016, the buyers wrote an offer to purchase for $310,000.

1.5 On June 29, 2016, Uzuegbunam emailed the buyer’s agent, Nash Barinaga (Barinaga), stating, “Received another good offer...is this your buyer’s highest and best?”

1.6 According to Barinaga, Uzuegbunam called him on June 29, 2016, stating the competing offer came in at $320,000.

///
According to Uzuegbunam, he told Barinaga that he expected an offer of
$320,000 to be coming in.

On June 29, 2016, the buyers (who originally offered $310,000) offered an
escalation clause stating they would pay $2,000 more than any competing offer up to a total
price of $320,000.

On June 30, 2016, the seller countered at $322,000, and on July 1, 2016, the
buyers accepted and the transaction moved forward.

On June 30, 2016, Barinaga emailed Uzuegbunam asking for a copy of the
second competing offer he received.

On June 30, 2016, Uzuegbunam emailed Barinaga stating, “I won’t be able to
send it till Tuesday evening since I’m on my way out of town right now. Its [sic] a very clean
offer with no seller concessions. The only difference is that they asked the seller to pay for
[sic] home warranty. I understand your buyers had to come up in price and if they’re having
second thoughts about the property, please let me know ASAP so we can proceed with the
backup offer.”

Uzuegbunam created a sales agreement for $320,000 and submitted it to
Barinaga. The purchase and sale agreement listed Alicia Highland and Rachel Lenzini as the
buyers, and Ira Baysinger, from Keller Williams as the buyer’s agent.

Ira Baysinger worked in the same office as Uzuegbunam, at John L. Scott
Portland South and was not associated with Keller Williams. Ira Baysinger submitted a written
statement for the investigation stating he had no knowledge of the purchase and sales
agreement for $320,000.

Agency Financial Investigator/Auditor Lindsey Nunes (Nunes) interviewed
Uzuegbunam about the transaction. Uzuegbunam said he received two offers on the same
day. One for $310,000, and the other for $308,000. Uzuegbunam said the offer for $308,000
was emailed to him but he didn’t have a copy of it due to the fact he no longer worked at John
L. Scott.

Uzuegbunam said he was given a thumb drive that had all his emails on it,
however, the information was incomplete and unreadable and was unable to obtain a copy of
the offer.
1.16 Uzuegbunam told Nunes he didn’t know the name of the broker or what company
the broker worked for who submitted the offer of $308,000.
1.17 Uzuegbunam said the broker who had submitted the $308,000 offer called him
and said the highest her clients could go was $320,000 and she would get the offer over in
writing that night.
1.18 Uzuegbunam then notified Barinaga regarding the $320,000 offer.
1.19 Uzuegbunam told Nunes that he made a huge mistake and wrote up an offer for
$320,000 thinking Barinaga would look at the offer and file it away. Uzuegbunam explained
the $320,000 offer was a verbal offer and he should have waited until he had it in writing to
negotiate another deal. Uzuegbunam admitted to forging the $320,000 offer to purchase.
1.20 Uzuegbunam’s former principal broker at John L. Scott Portland South,
Carnahan, said Uzuegbunam hadn’t turned in an offer for $308,000 on this transaction and she
hadn’t heard of a $308,000 offer in this transaction.
1.21 On March 6, 2017, Nunes received an email from Carnahan stating John L. Scott
had complete access to all of Uzuegbunam’s emails, and could not find any indication of an
offer for $308,000.
1.22 Uzuegbunam mailed the thumb drive to the Agency, and Agency staff searched
the drive for the $308,000 offer or any evidence of the offer. Nothing was found during the
search.

Violation: By creating and presenting a falsified sales agreement for $320,000 to the
buyer’s agent, Uzuegbunam violated ORS 696.301(12) and (14) (2015 Edition), which states
a real estate license may be disciplined if the licensee: (12) demonstrated incompetence in
performing any act for which the licensee is required to hold a license; (14) committed an act of
fraud or engaged in dishonest conduct substantially related to the fitness of the licensee to
conduct professional real estate activity, without regard to whether the act or conduct occurred
in the course of professional real estate activity.

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2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301. Based on these violations, a revocation is appropriate for violations of ORS 696.301(12) and (14).

2.2 A revocation is appropriate under ORS 696.396(2)(c)(B) and (C). According to ORS 696.396, the Agency may revoke a real estate license if the material facts establish a violation of a ground for discipline under ORS 696.301 that exhibits incompetence in the performance of professional real estate activity, or exhibits dishonesty or fraudulent conduct.

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

2.4 Pursuant to ORS 696.775, the lapsing of Uzuegbunam’s license does not prohibit the Commissioner from proceeding with further action.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by the Agency 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 the Agency and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. 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 Uzuegbunam's broker license is revoked.

IT IS SO STIPULATED:

TONY IYKE UZUEGBUNAM

Date 06/20/2016

IT IS SO ORDERED:

DEAN OWENS
Acting Real Estate Commissioner
Date 9/7/2018

Date of Service: 9/7/2018
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

CRAIG M. REGER

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Craig M. Reger (Reger) do hereby agree
and stipulate to the following:

FINDINGS OF FACT

&

CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Reger was licensed as a principal broker with
Keller Williams Sunset Corridor.

1.2 Reger had been working as an Area Director of Keller Williams Realty Northern
California/Hawaii from July 2015 through June 2017. During this time he was based in
California. Around the middle of 2016, Reger decided he no longer wanted to reside in
California. It took him about a year to transition from out of his role in California and return
fully to Oregon.

1.3 In May 2017, Reger initiated his move from California back to Oregon. Toward
the end of his move, Reger realized his license was about to expire and he needed to renew

1.4 Reger had a trip planned for the end of May 2017, and did not have the time to
complete his continuing education for his renewal. He asked Frankie Delgado (Delgado), who
at the time was an unlicensed employee, to complete the education for him.
1.5 Delgado accessed the online education program by logging on the site using Reger's credentials. Delgado was unable to complete all 30 credit hours of the education.

1.6 With the renewal deadline fast approaching, Andrea Morrisson, Director of Sales, completed the remaining hours on Reger's behalf. Licensing records indicate all continuing education was completed on May 30, 2017.

**Violations:** By requesting and allowing others to take required continuing education coursework on Reger's behalf, he violated ORS 696.301(14) which states a real estate license may be disciplined if the licensee committed an act of fraud or engaged in dishonest conduct substantially related to the fitness of the applicant or real estate licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity.

2.

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)(C).

According to ORS 696.396, the Agency may suspend a real estate license if the material facts establish a violation of a ground for discipline under ORS 696.301 that exhibits dishonesty or fraudulent conduct.

2.2 The Agency 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 the Agency 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 the Agency and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. 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.

ORDER

IT IS HEREBY ORDERED that Reger's principal broker license be suspended for 60 days beginning on December 22, 2018, and continuing through February 19, 2019.

IT IS FURTHER ORDERED that Reger must complete the 27-hour Principal Broker Advanced Practices Course by February 28, 2019. Reger must submit a certificate to the Agency showing completion on the 27 hour Principal Broker Advanced Practices Course. This certificate must be submitted to the Agency no later than 10 days after the education has been completed. Reger may not use the 27-hour Principal Broker Advanced Practices Course toward his continuing education requirement for license renewal.

IT IS SO STIPULATED:  

IT IS SO ORDERED:

[Signatures]

CRAIG M. REGER  
DEAN OWENS  
Acting Real Estate Commissioner

[Dates]

3 of 3 – Stipulated Final Order- Craig M. Reger
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

ANDREA MAEVE MORRISON

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Andrea Maeve Morrisson (Morrison) do hereby agree and stipulate to the following:

FINDINGS OF FACT
&
CONCLUSIONS OF LAW

1.1 At all times mentioned herein, Morrison was licensed as a broker working under the registered business name Keller Williams Sunset Corridor.

1.2 In May 2017, principal broker Craig Reger (Reger) initiated his move from California back to Oregon. Toward the end of his move, Reger realized his license was about to expire and he needed to renew by May 31, 2017.

1.3 Reger had a trip planned for the end of May 2017, and did not have the time to complete his continuing education for his renewal. Reger asked Frankie Delgado (Delgado), who at the time was an unlicensed employee, to complete the education for him.

1.4 Delgado accessed the online education program by logging on the site using Reger’s credentials. Delgado was unable to complete all 30 credit hours of the education.

1.5 With the renewal deadline fast approaching, Andrea Morrisson, Director of Sales, completed the remaining continuing education hours on Reger’s behalf.
1.6 During her interview with Agency Financial Investigator/Auditor Frances Hlawatsch, Morrisson indicated that Reger’s license was “integral” to the operation of the team and took action to keep the office functioning. Licensing records indicate all continuing education was completed on May 30, 2017.

Violations: By completing Reger’s required continuing education, Morrisson violated ORS 696.301(14) which states a real estate license may be disciplined if the licensee committed an act of fraud or engaged in dishonest conduct substantially related to the fitness of the applicant or real estate licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity.

2.

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)(C).

According to ORS 696.396, the Agency may suspend a real estate license if the material facts establish a violation of a ground for discipline under ORS 696.301 that exhibits dishonesty or fraudulent conduct.

2.2 The Agency 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 the Agency 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 the Agency and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. 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.

ORDER

IT IS HEREBY ORDERED that Morrison's broker license be suspended for 30 days beginning on November 17, 2018 and continuing through December 16, 2018.

IT IS FURTHER ORDERED that Morrison must complete the 27-hour Broker Advanced Practices Course (detailed in OAR 863-022-0020) within six (6) months from the effective date of this order. Morrison must submit a certificate to the Agency showing completion of the 27-hour Broker Advanced Practices Course. This certificate must be submitted to the Agency no later than 10 days after the education has been completed. Morrison may not use the 27-hour Broker Advanced Practices Course toward her continuing education requirement for license renewal.

IT IS SO STIPULATED:

ANDREA MAEVE MORRISON

Date 8/17/18

IT IS SO ORDERED:

DEAN OWENS
Acting Real Estate Commissioner
Date 8/28/18

Date of Service: 9/20/2018
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

TERRIE COX

STIPULATED FINAL ORDER

The Real Estate Agency (Agency) and Terrie Cox (Cox) do hereby agree and stipulate to the following:

FINDINGS OF FACT

&

CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Cox was licensed as a broker associated with RE/MAX Equity Group.

1.2 Cox's advertising had been reviewed in a prior Agency investigation and an Educational Letter of Advice dated February 28, 2017, was mailed out to Cox. At issue, was an advertisement in an Alaska Airlines magazine, Alaska Beyond, January 2017 issue where Cox failed to include the registered business name RE/MAX Equity Group. The advertisement appeared she was working under the business name "Terrie Cox, PC," for which the Agency had no registered business name. A Google search for Cox on February 22, 2017, produced a result for the website usa-relocate.com. On this site, RE/MAX Equity Group was not displayed prominently.

1.3 On April 27, 2017, a new complaint regarding Cox's advertising was reviewed.

1.4 On July 17, 2017, the Agency opened an investigation regarding Cox's advertising.
1.5 As of December 19, 2017, the website usa-relocate.com had not been corrected to include RE/MAX Equity Group in an immediately conspicuous location, nor did it indicate that Cox was licensed in Oregon.

1.6 Cox told Agency staff she owned the domain name for the website and on or around January 8, 2018, Cox corrected the advertising issues occurring on this website.

1.7 During the investigation, Cox acknowledged the issues with her advertising and stated she had received the Educational Letter of Advice. Cox indicated she took action to correct the violations at the time.

Violation: By failing to display RE/Max Equity Group in an immediately noticeable position on the USA-relocate.com website, Cox violated ORS 696.301(3) as it incorporates OAR 863-015-0125(9)(b)(B) (11-15-16 Edition) which requires (9) Advertising in electronic media and by electronic communication, including but not limited to the Internet, web pages, E-mail, E-mail discussion groups, blogs, and bulletin boards is subject to the following requirements: (b) Advertising by a licensee must include on its first page: (B) the licensed name or registered business name of the principal real estate broker, sole practitioner real estate broker or property manager.

1.8 Cox failed to submit her advertising to Laurie Thiel (Thiel), her principal broker, prior to Cox publishing it.

Violation: By failing to submit all proposed advertising to her principal broker for review prior to publishing it, Cox violated ORS 696.301(3) as it incorporates OAR 863-015-0125(5)(a)(b) (11-15-16 Edition) which states a real estate broker must: (a) submit proposed advertising to the licensee’s principal broker for review and receive the principal broker’s approval before publicly releasing any advertisement and (b) keep a record of the principal broker’s approval and make it available to the agency upon request.

2.

2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301

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

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by the Agency 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 the Agency and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. 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.

ORDER

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

IT IS SO STIPULATED:

TERRIE COX

Date 8-9-18

IT IS SO ORDERED:

DEAN OWENS
Acting Real Estate Commissioner

Date 8/14/2018

Date of Service: 8/14/2018

3 of 3 - Stipulated Final Order- Terrie Cox
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

RICHARD BRIAN KAUL

STIPULATED FINAL ORDER

The Real Estate Agency (Agency) and Richard Brian Kaul (Kaul) do hereby agree and stipulate to the following:

FINDINGS OF FACT
&
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Kaul was licensed as a property manager.
1.2 Between October 2012 and February 14, 2017, Kaul conducted property management activity under the business name Asset Services Group, LLC, which was not registered with the Agency.

(1) Violation: By conducting property management activity under the name Asset Services Group LLC, which was not a registered business name with the Agency, Kaul violated ORS 696.301(3) as it incorporates ORS 696.026(6) (2011, 2013 and 2015 Editions) which states a principal real estate broker or licensed real estate property manager may conduct professional real estate activity only under: (a) the name under which the principal broker or property manager’s license was issued; or (b) a registered business name. Additionally, Kaul violated ORS 696.301(3) as it incorporates OAR 863-024-0095(1) (9-14-12, 4-1-13, 5-15-14 & 11-15-16 Edition) which states in part, before conducting business in a name other than the licensee’s legal name, the property manager must register the business name with the Agency.

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1.3 Agency records show Kaul became licensed on December 15, 2010. Kaul did not have any clients' trust accounts prior to January 1, 2012.

(2) **Violation:** By failing to open a clients' trust account until January 1, 2012, Kaul violated ORS 696.301(3) as it incorporates ORS 696.241(2) (2009 and 2011 Editions) which requires a property manager to open and maintain in this state at least one bank account designated as a clients' trust account under ORS 696.245. Additionally, Kaul violated ORS 696.301(3) as it incorporates OAR 863-025-0025(2) (6-15-10, 4-15-11, 9-1-11 Editions) which requires a property manager to open and maintain at least one clients' trust account.

1.4 Kaul opened clients' trust account ending in #3330 on January 1, 2012, but did not notify the Agency of the account until September 1, 2016.

(3) **Violation:** By failing to timely notify the Agency when the clients' trust account ending in #3330 was opened, Kaul violated ORS 696.301(3) as it incorporates ORS 696.241(4) (2011, 2013 and 2015 Editions), which requires a property manager to notify the Agency within 10 business days after the date a clients' trust account is opened.

1.5 From approximately January 1, 2012 to September 1, 2016, Kaul held both owner funds and security deposits funds in the clients' trust account ending in #3330.

(4) **Violation:** By combining owner funds and security deposit funds in the clients' trust account ending in #3330 Kaul violated ORS 696.301(3) as it incorporates OAR 863-025-0025(4) (9-1-11, 9-14-12, 4-1-13 and 5-15-14 Editions) which requires a property manager who receives security deposits on behalf of an owner must open and maintain a security deposits account separate from the property manager's clients' trust account. Additionally, Kaul violated ORS 696.301(3) as it incorporates OAR 863-025-0030(1) (9-1-11, 9-14-12, 4-1-13 and 5-15-14 Editions) which states in part except as provided in section (3) of this rule, all tenants and security deposits received by a property manager must be deposited and maintained in a security deposits account.

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1.6 From approximately January 1, 2012 to August 2016, Kaul kept funds for his personally owned rental properties in the clients’ trust account ending #3330 along with funds belonging to other owners and tenants.

5) **Violation:** By keeping funds from personally owned property in a clients’ trust account ending in #3330, where other owner and tenant funds were held, Kaul violated ORS 696.301(3) as it incorporates ORS 696.241(6) (2011 Edition), which states except for earned interest, only trust funds may be held by a licensed real estate property manager in a clients’ trust account, and ORS 696.241(7) (2013 and 2015 Editions) which states except for earned interest on a clients’ trust account, a licensed property manager may not commingle any other funds with the trust funds held in a clients’ trust account. Additionally, Kaul violated ORS 696.301 as it incorporates OAR 863-025-0065(3)(9-1-11, 9-14-12, 4-1-13 and 5-15-14 Editions) which states a property manager may not deposit any funds received on behalf of an owner in the property manager’s personal account or commingle any such funds received with personal funds of the property manager.

1.7 On March 13, 2017, the Agency requested Kaul’s most recent clients’ trust account reconciliations for clients’ trust accounts ending in #1190 and #3330 (security deposits account) due by March 20, 2017. Kaul did not provide the requested documents by the due date.

6) **Violation:** By failing to provide the requested records by the due date Kaul violated ORS 696.301(3) as it incorporates ORS 696.280(3) (2015 Edition) which requires records maintained under this section must at all times be open for inspection by the Real Estate Commissioner or the commissioner’s authorized representative. Kaul also violated ORS 696.301(3) as it incorporates OAR 863-025-0035(2)(a) (11-15-16 Edition) which states: (2) a property manager must produce records required under section 1 of this rule for inspection by the Agency as follows: (a) When the Agency makes a request for production of property management records, the property manager must provide such records within no less than five banking days.

1.8 Kaul failed to complete proper three way reconciliations from approximately October 2012 until May 2017, on both his clients’ trust account (ending in #1190) and security deposit account (ending in #3330).
(7) **Violation:** By failing to prepare monthly three way reconciliations for clients’ trust accounts ending in #1190 and #3330 Kaul violated ORS 696.301(3) as it incorporates OAR 863-025-0025(20) and (21) (9-1-11, 9-14-12, , 4-1-13, 5-15-14 and 11-15-16 Editions), which requires a property manager to complete a monthly reconciliation with the required three components within 30 days of the bank statement date.

1.9 Agency records showed from January 1, 2012 to March 23, 2017, Kaul’s clients’ trust accounts ending in #3330 (security deposits account) was named as “Asset Services Group, LLC.” A bank statement for the month of March 2017, showed the account name as “Asset Services Group LLC Client Trust Account.”

1.10 Agency records showed from September 1, 2016 to March 23, 2017, clients’ trust account in #1190 was named, “Asset Services Group, LLC.” A bank statement for the month of March 2017 showed the account name as “Asset Services Group LLC.”

(8) **Violation:** By failing to properly name both the clients’ trust account ending in #1190 and security deposits account ending in #3330 Kaul violated ORS 696.301(3) as it incorporates OAR 863-025-0025(2) (5-15-14 and 11-15-16 Edition) and OAR 863-025-0025(4) (9-1-11, 4-15-11, 9-14-12, 4-1-13, 5-15-14 and 11-15-16 Editions). Per OAR 863-025-0025(2) a property manager must open and maintain at least one clients’ trust account as defined in OAR 863-025-0010. Per OAR 863-025-0025(4), except as provided in section (7) of this rule, a property manager who receives security deposits on behalf of an owner must open and maintain a security deposits account, as defined in OAR 863-025-0010, that is separate from the property manager’s clients’ trust account. Clients’ trust account is defined per OAR 863-025-0010(4) which requires a clients’ trust account to be a federally insured bank account labeled as “Clients’ Trust Account” on all bank records and checks. Security deposits account is defined per OAR 863-025-0010(15) (9-1-11, 4-15-11, 9-14-12, 4-1-13 Edition), and (16) (5-15-14 and 11-15-16 Editions) which requires security deposits account to be federally insured and labeled as “Clients’ Trust Account- Security Deposits,” on all bank records and checks.

1.11 A review of Kaul’s owner ledgers showed the following details lacking between October 2012 and May 2017: owner’s name, identity of the person tendering the funds and a balance after each recorded entry.

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(9) **Violation:** By failing to have all of the required detail in the owners ledgers, Kaul violated ORS 696.301(3) as it incorporates OAR 863-025-0055(a)(b)(B)(d) (9-1-11, 9-14-12, 4-1-13, 5-15-14 and 11-15-16), which states (3) all owner ledgers must include the following:

(a) the owner’s name and identifying code; (b) for each deposit of funds: (B) the purpose of the funds and identity of the person who tendered the funds; (d) the balance after each recorded entry.

1.12 A review of Kaul’s check register/record of receipts and disbursements showed the following details lacking between October 2012 to May 2017: the identity of who tendered the funds and the account balance after each entry.

(10) **Violation:** By failing to have all the required detail in the check register/record of receipts and disbursements, Kaul violated ORS 696.301(3) as it incorporates OAR 863-025-0040(2)(a)(C) and (e) (9-1-11, 9-14-12, 4-1-13, 5-15-14, 11-15-16 Editions), which requires (2) a record of receipts and disbursements or check register must contain at least the following information: (a) for each receipt of funds: (C) the purpose of the funds and the identity of the person who tendered the funds; (e) the account balance after each entry.

1.13 From approximately October 2012 to May 2017, Kaul failed to keep tenant ledgers as required.

(11) **Violation:** By failing to keep proper tenant ledgers, Kaul violated ORS 696.301(3) as it incorporates OAR 863-025-0050(1) (9-1-11, 9-14-12, 4-1-13, 5-15-14, and 11-15-16), which requires a property manager to prepare and maintain at least one tenant’s ledger for each tenant or individual for whom the property manager has received any funds under a property management agreement.

1.14 From approximately October 2012 to May 2017, the Asset Services Group, LLC website did not contain verbiage that Kaul was licensed in the State of Oregon.

(12) **Violation:** By failing to indicate on his website that he was licensed in Oregon, Kaul violated ORS 696.301(3) as it incorporates OAR 863-015-0125(9)(b)(C) (9-1-11, 9-14-12, 4-1-13, 5-15-14 and 11-15-16 Editions) which requires: (9) advertising in electronic media and by electronic communication, including but not limited to the Internet, web pages, E-mail, E-mail discussion groups, blogs, and bulletin boards is subject to the following requirements: (b) advertising by a licensee must include on its first page: (C) a statement that the licensee is licensed in the State of Oregon.
1.15 From approximately October 2012 to May 2017, there was no sign at the main office for Asset Services Group, LLC designating it as such.

13 Violation: By failing to have a sign at the main office, Kaul violated ORS 696.301(3) as it incorporates ORS 696.200(1)(c) (2011, 2013, and 2015 Editions) which requires a property manager to designate the main office by a sign that contains the name under which the real estate licensee conducts professional real estate activity.

1.16 All of the above demonstrates incompetence in performing acts for which Kaul is required to hold a license.

14 Violation: ORS 696.301(12) (2011, 2013 and 2015 Editions) which states a real estate license can be disciplined if the licensee demonstrated incompetence in performing any act for which the licensee is required to hold a license.

2.

2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.

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

3.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by the Agency 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 the Agency and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. 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.

ORDER

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

IT IS FURTHER ORDERED that Kaul complete the 27-hour Property Manager
Advanced Practices course, (detailed in OAR 863-022-0022), within four months from the
effective date of this order. Kaul must submit a certificate to the Agency showing completion of
the 27- hour Property Manager Advanced Practice Course. This certificate must be submitted
to the Agency no later than 10 days after the education has been completed.

IT IS SO STIPULATED: IT IS SO ORDERED:

[Signature]

RICHARD BRIAN KAUL DEAN OWENS

Acting Real Estate Commissioner

Date 8-10-2018 Date 8-15-2018

Date of Service: 8/15/2018
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

ABRAHAM WALSH

STIPULATED FINAL ORDER

The Real Estate Agency (Agency) and Abraham Walsh (Walsh) do hereby agree and stipulate to the following:

FINDINGS OF FACT

&

CONCLUSIONS OF LAW

1.

1.1 On October 5, 2015, Walsh was issued a property manager license. Walsh conducts property management activity under the registered business name of Apartment Community Management LLC (ACM) and Legacy Property Management (LPM).

1.2 On July 28, 2017, ACM was selected for a clients’ trust account audit on clients’ trust account ending in #8232. The audit requested the reconciliation for May 2017 to be submitted to the Agency within 30 days from the July 28, 2017 audit letter. The audit documents received were late, on October 10, 2017, were incomplete and did not balance.

1.3 On November 8, 2017, the Agency opened an investigation.

1.4 In 2016 Walsh hired Sandy Carr (Carr) as an Accounting Manager. Her duties at the time of the investigation included receiving and disbursing funds from the clients’ trust account and completing the monthly clients’ trust account reconciliations.

1.5 As of November 6, 2017, Walsh did not have a dated and signed written delegation for Carr.

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1 of 6 – Stipulated Final Order- Abraham Walsh
Violation: By failing to have a signed, and dated written delegation of authority as required, for employee Sandy Carr, Walsh violated ORS 696.301(3) as it incorporates OAR 863-025-0015(6)(b) (5-15-14, 11-15-2016 Editions), which states the following delegations of the property manager’s authority must be in writing, dated and signed by the property manager and kept with written policies: (b) review and approve reconciliations and receive and disburse funds under OAR 863-025-0025(23).

1.6 On November 2, 2017, Walsh provided an inventory of and Authorization to Examine Clients’ Trust Account for the investigation. On the form, there were three accounts listed, clients’ trust account ending in #8232, security deposit account ending in #8224, and an account ending in #4254. The account ending in #4254 was identified as a Wells Fargo clients’ trust account and was not registered with the Agency. Walsh explained this account had been opened by Kent Carter (Carter), his predecessor, who had passed away around the time Walsh obtained his license in October 2015.

(2) Violation: By failing to register clients’ trust account ending in #4254 with the Agency, Walsh violated ORS 696.301(3) as it incorporates ORS 696.241(4) (2015 Edition), which requires a property manager to register each clients’ trust account with the Agency within 10 business days after the date the account is opened.

1.7 During the investigation Walsh acknowledged there were accounting inconsistencies dating back to 2011-2012, prior to him having a license, that he had not dealt with.

1.8 As of November 6, 2017, clients’ trust ending in #8232 (account selected for the audit) still remained out of balance. Walsh failed to take corrective action or document his good faith efforts to reconcile the difference for this account since May 2017,

1.9 Reconciliations submitted for September and October 2017 for accounts ending in #4254, #8232, and #8224 (security deposits account) showed all three clients’ trust accounts were out of balance. Walsh failed to take corrective action to resolve the differences in these accounts or document his good faith efforts to resolve the discrepancies which have occurred since approximately 2011.
(3) **Violation:** By failing to take corrective action or document the good faith efforts to resolve adjustments on all three accounts, accounts ending in #8232, #4254, and #8224, Walsh violated ORS 696.301(3) as it incorporates OAR 863-025-0025(22) (5-15-14, 11-15-2016 Editions), which states a property manager must take corrective action to resolve all adjustments made in a reconciliation prior to the next reconciliation or document the good faith efforts the property manager has taken to resolve the adjustments. Per OAR 863-025-0025(23) (5-15-2014, 11-15-2016 Editions), Walsh remains solely responsible for all funds and transactions relating to the clients’ trust account.

1.10 On November 6, 2017, during his interview with Agency Investigator/Auditor Meghan Lewis, Walsh was asked to produce the most recent monthly reconciliations for accounts ending in #8232, 4254 and #8224 (security deposits account). Carr told Lewis September 2017 was done, but October 2017 was incomplete. Carr explained she was having trouble completing the single reconciliation form.

1.11 A review of the September 2017 reconciliations documents submitted on November 6, 2017 for the three different accounts showed Part 1, the reconciled bank balance was entered, but Part 2 and Part 3 were left blank. The September 2017 reconciliations were not properly completed with the required three components within 30 days from the date of the bank statement.

(4) **Violation:** By failing to properly and timely reconcile the accounts ending in #8232, #4254, and #8224, for September 2017, within 30 days from the date of the bank statement Walsh violated ORS 696.301(3) as it incorporates OAR 863-025-0025(20)(a)(B)(C) (11-15-16 Edition) and 863-025-0025(21)(a)(B)(C) (11-15-16 Edition). OAR 863-025-0025(20)(a)(B)(C) states a property manager must reconcile each clients’ trust account within 30 calendar days of the date of the bank statement pursuant to the requirements contained in this section: (a) the reconciliation must have three components that are contained in a single reconciliation document: (B) the record of receipts and disbursements or check register, and (C) the sum of all positive owners' ledgers as of the date of the bank statement.

OAR 863-025-0025(21)(a)(B)(C) states a property manager must reconcile each security deposits account within 30 calendar days of the date of the bank statement pursuant to the requirements contained in this section (a) the reconciliation must have three components that
are contained in a single reconciliation document: (B) the balance of the record of receipts and
disbursements or the check register as of the date of the bank statement and (C) the sum of all
security deposits.

1.12 On November 10, 2017, Walsh re-submitted the September 2017 reconciliations
for accounts ending in #4254, #8224, and #8232, all were dated November 8, 2017 (more than
30 days from the date of the bank statement, September 30, 2017).

(5) Violation: By failing to timely complete the required reconciliations within 30 days from
the date of the bank statement Walsh violated ORS 696.301(3) as it incorporates OAR 863-
(d) a property manager to reconcile each clients' trust account and security deposits account
within 30 days of the bank statement, the property manager must (A) complete the
reconciliation document, and (B) sign and date the reconciliation document attesting to the
accuracy and completeness of the reconciliation.

1.13 November 10, 2017, submissions of the September and October 2017
reconciliations for trust accounts ending in #4254, #8224 (security deposits account), and
#8323, all contained unresolved differences between the three parts. Walsh failed to take
corrective action to resolve adjustments or document his good faith efforts taken to resolve
adjustments.

(6) Violation: By failing to take corrective action to resolve discrepancies or failing to
document the good faith efforts taken, Walsh violated ORS 696.301(3) as it incorporates OAR
863-025-0025(22) (5-15-14 and 11-15-16 Editions) which state a property manager must take
corrective action to resolve all adjustments made in a reconciliation prior to the next
reconciliation, or document the good faith efforts the property manager has taken to resolve
the adjustment.

1.14 A review of reconciliation documents shows check #9328, dated November 14,
2017, for $737.49 made payable to “Legacy Property Management.” In the description detail it
specifies “postage” for a total of $3.24, and “Management fees for 10/2016,” totaling $734.25.
1.15 Per Walsh's explanation, the check for these management fees originally was
issued in the month fees were earned, however the original check did not clear the bank
account #8232, and the management fees remained in the clients' trust account. The
November 14, 2017 check relating to October 2016 management fees was being re-issued to
remove earned management fees from the clients' trust account.

(7) Violation: By failing to take earned management fees in the month that they were
earned for October 2016 in the amount of $734.25, Walsh violated ORS 696.301(3) as it
incorporates OAR 863-025-0025(15) (5-15-14 Edition) which states a property manager must
disburse earned management fees from the clients' trust account at least once a month,
unless a different schedule of disbursement is specified in the property management
agreement, and may only disburse the fee if sufficient funds are available.

1.16 All of the above demonstrates incompetence in performing acts for which Walsh
is required to hold a license.

(8) Violation: ORS 696.301(12) (2015 Edition) which states a real estate license can be
disciplined if the licensee demonstrated incompetence in performing any act for which the
licensee is required to hold a license.

2.

2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.

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

3.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have
been submitted to me by the Agency 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 the Agency and me. I further
understand that if I do not agree with this stipulation I have the right to request a hearing on
this matter and to be represented by legal counsel at such a hearing. Hearings are conducted
in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the
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.

ORDER

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

IT IS FURTHER ORDERED that Walsh complete the 27-hour Property Manager Advanced Practices course, (detailed in OAR 863-022-0022), within four months from the effective date of this order. Walsh must submit a certificate to the Agency showing completion of the 27-hour Property Manager Advanced Practice Course. This certificate must be submitted to the Agency no later than 10 days after the education has been completed.

IT IS SO STIPULATED:          IT IS SO ORDERED:

ABRAHAM WALSH          DEAN OWENS

Date 8/12/2018         Date 8/29/18

Acting Real Estate Commissioner

Date of Service: 8/29/2018
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

JEFFREY EDMONDSON

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Jeffrey Edmondson (Edmondson) do hereby agree and stipulate to the following:

FINDINGS OF FACT
&
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Edmondson was licensed as a principal broker with 24/7 Properties, LLC.

1.2 On March 20, 2017, the Agency received a complaint from Eve Anderson (Anderson) alleging her property manager charged an illegal transfer fee.

1.3 Anderson and two others signed a rental agreement with 24/Properties, LLC on September 1, 2014, and renewed the agreement on September 1, 2015.

1.4 Prior to the renewal, on June 25, 2015, a $50.00 "Set-Up Fee- Tenant Transfer Charge" was charged to Anderson for adding Emma/Kelsey as a new tenant.

1.5 Full time 24/7 Properties employee Brandy Faist (Faist) communicated to Anderson that 24/7 Properties started charging the fee in January 2015, and the fee had been charged to Anderson’s account on June 25, 2015, and August 23, 2016.

1.6 Neither the rental agreement signed on September 1, 2014, nor the renewed rental agreement signed on September 1, 2015, addressed the transfer fee.

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1.7 After Anderson complained to Faist regarding the transfer fee, and after researching the issue, Faist reached out to their attorney and realized the fee should not have been charged.

1.8 On March 17, 2017, a $125.00 credit was credited to Anderson’s tenant ledger.

1.9 In August 2017, Edmondson told OREA Investigator/Auditor Lindsey Nunes (Nunes) that he had an accountant and full time employee who handled all the property management activity, and he didn’t know anything about the transfer fee.

1.10 Initially, when Nunes requested Edmondson’s delegation of authority for employees, Edmondson asked what a delegation of authority was and did not have them in place for his employees.

1.11 Later, in August 2017, Edmondson provided newly implemented delegations of authority to Nunes for his accountant, Tracy Pasco (Pasco), and office manager Faist which appeared to be signed in August 2017.

(1) Violation: By failing to supervise a non-licensed employee engaging in property management activity, who charged a fee not addressed in the tenant agreement, Edmondson violated ORS 696.301(3) as it incorporates OAR 863-015-0140(3) and OAR 863-025-0045(1)(c) (5-15-2014 Edition). OAR 863-015-0140(3) requires a principal broker to supervise and control the professional real estate activity at any main or branch office registered by the principal broker. Per OAR 863-025-0045(1): The property manager must file and maintain legible copies of all tenant rental or lease agreements for the time period required under OAR 863-025-0035. Each tenant rental or lease agreement prepared by a property manager for residential real estate must contain, in addition to and not in lieu of any applicable requirements of the Residential Landlord and Tenant Act, the following: (c) the amount of and the reason for all funds paid by the tenant to the property manager including, but not limited to, funds for rent, conditionally refundable security deposits, and any fees or other charges.
(2) **Violation:** By failing to have written delegations of authority in place for Pasco and Faist, Edmonson violated ORS 696.301(3) as it incorporates OAR 863-025-0015 and OAR 863-015-0140(3) (11-15-2016 Edition). OAR 863-025-0015 requires each property manager to develop, maintain and follow written policies for persons and activities listed in the rule. In general, the policies must specify the duties, responsibilities, supervision and authority for employees, including any authority to handle funds in a clients’ trust account or security deposits account of the property manager. Delegations must be in writing, dated and signed by the property manager, and must be kept with written policies. OAR 863-015-0140(3) requires a principal broker to supervise and control the professional real estate activity at any main or branch office registered by the principal broker.

1.12 During the course of the investigation, it was found that 24/7 Properties did not have any clients’ trust accounts or security deposit accounts entered in the Agency licensing database.

1.13 The clients’ trust account ending in #3195 and security deposits ending in #1150 were entered into the Agency’s license database on or around August 3, 2017.

(3) **Violation:** By failing to notify the Agency of the clients’ trust accounts Edmondson violated ORS 696.301(3) as it incorporates ORS 696.241(4) (2013 and 2015 Editions) which requires a principal broker to notify the Agency within 10 business days after the date a clients’ trust account is opened.

1.14 Nunes requested reconciliations for clients’ trust account ending in #3195, and security deposits account ending in #1150.

1.15 On August 3, 2017, Pasco provided the following information for clients’ trust account ending in #3195: a bank statement, check register, and a bank reconciliation report. The bank reconciliation document provided did not contain the three required components, and was not signed and dated by the property manager.

1.16 For the reconciliation relating to security deposits account ending #1150, Pasco provided a bank statement and tenant ledgers for July 2017. No reconciliation document was provided.

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(4) **Violation:** By failing to properly reconcile the clients’ trust account and security deposits account, Edmonson violated ORS 696.301(3) as it incorporates OAR 863-025-0025(20) and (21) (9-1-11, 9-14-2012, 4-1-2013, 5-15-2014, and 11-15-2016 Editions), which requires a property manager to reconcile each clients’ trust account and security deposits account within 30 calendar days of the date of the bank statement, with the three required components, which must be equal to and reconciled with each other. The reconciliation document must be signed and dated by the property manager.

1.17 A review of the reconciliation documents submitted for July 2017 and August 2017 indicated several HOA/Condo associations’ funds were being held in the clients’ trust account ending in #3195.

1.18 The reconciliation documents also showed that Edmonson was holding funds pertaining to his personally owned rental properties and funds pertaining to property located in Washington in his clients’ trust account ending in #3195.

(5) **Violation:** By commingling HOA/Condo Association fees in the clients’ trust account, Edmonson violated ORS 696.301(3) as it incorporates OAR 863-025-0025(3) (11-15-16 Edition) and ORS 696.241(7) (2015 Edition). OAR 863-025-0025(3) states that only the following funds may be held in a clients’ trust account: (a) funds received by the property manager on behalf of an owner; and (b) interest earned. ORS 696.241 (7) states excepted for earned interest on a clients’ trust account as provided in subsections (9) and (10) of this section, a licensed principal broker may not commingle any other funds with the trust funds held in a clients’ trust account.

(6) **Violation:** By having funds from Edmonson’s personal rental properties and out of state property funds included in the clients’ trust account, Edmonson violated ORS 696.301(3) as it incorporates OAR 863-025-0065(3) (11-15-16 Edition) and ORS 696.241(6) (2015 Edition). OAR 863-025-0065(3) states a property manager may not deposit any funds received on behalf of an owner in the property manager’s personal account or commingle any such funds received with personal funds of the property manager. ORS 696.241 (7) states excepted for earned interest on a clients’ trust account as provided in subsections (9) and (10) of this section, a licensed principal broker may not commingle any other funds with the trust funds held in a clients’ trust account.
2.

2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.

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

2.4 In establishing the violations alleged above, OREA may rely on one or more of the definitions contained in ORS 696.010.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by the Agency 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 the Agency and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. 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.
ORDER

IT IS HEREBY ORDERED that the principal broker license of Edmondson be, and hereby is reprimanded.

IT IS FURTHER ORDERED that Edmondson complete the 27-hour Property Manager Advanced Practices course, (detailed in OAR 863-022-0022, 1-1-2018 Edition) within four months from the effective date of this order. Edmondson must submit a certificate to the Agency showing completion of the 27-hour Property Manager Advanced Practices Course. This certificate must be submitted to the Agency no later than 10 days after the education has been completed.

IT IS SO STIPULATED:

JEFFREY JAY EDMONDSON

Date 9/14/18

IT IS SO ORDERED:

DEAN OWENS

Acting Real Estate Commissioner

Date 9-25-2018

Date of Service: 9.25.2018
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Principal Broker License
and Broker License Application of
LUCINDA G. CHAPMAN

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Lucinda G. Chapman (Chapman) do
hereby agree and stipulate to the following:

FINDINGS OF FACT

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CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Chapman was licensed as a principal broker
working under the registered business name Oregon Coast Properties.

1.2 On October 17, 2016, the Agency received a complaint alleging Chapman had
been listing properties without owner authorization. A second complaint regarding Chapman
was received on October 20, 2016.

1.3 On March 15, 2017, the Agency opened an investigation. The investigation
focused on four separate property listings:

720 SW 6th St Unit 208 Newport, Oregon;

1.4 Chapman signed a listing agreement with property owners George and Karen
Mpitso (the Mpitso). Karen Mpitso signed and dated the listing agreement on September
15, 2010. The agreement stated an expiration date of September 9, 2011. Chapman signed
the agreement on September 16, 2010. George Mpitso did not sign the agreement, but
appeared to initial the first page of the agreement.

1.5 The listing agreement stated, "No extension or renewal of the agreement shall be
effective unless it is in writing, signed by SELLER and PRINCIPAL BROKER."
Sometime around May 17, 2011, Chapman printed a copy of the ad for the property from Lincoln County MLS. Chapman wrote on the ad, “Please extend to 2-28-2012.” She initialed the document twice and George Mpitsos signed it once. It appears the “2-28-2012,” date was changed to “2-28-2013” and then to “2-28-2017.” Karen Mpitsos did not sign any document relating to an extension of the listing agreement.

The MLS history shows Chapman extended the listing multiple times from 2012-2016. The listing was cancelled on September 26, 2016.

Chapman was unable to produce anything else in writing specifically pertaining to the extensions. She said some of the extensions were done verbally.

**Violation:** By continuing to advertise the property and extend the listing without written consent of the owners over multiple years, Chapman violated ORS 696.301(3) as it incorporates OAR 863-015-0125(2)(e) (9-1-11, 9-14-2012 and 5-15-2014 Editions), which requires advertising be done only with the written permission of the property owner(s) or owner(s) authorized agent.

3360 NW Oceanview Dr. #D, Newport, OR

On July 23, 2014, Lillie and Patrick Fishers (Fishers) signed and dated a listing agreement with Chapman. The expiration date was July 22, 2015. Chapman failed to sign the listing agreement, however, she did initial and date, “7/23/14” on the second page of the agreement.

**Violation:** By failing to sign the listing agreement, Chapman violated ORS 696.301(3) as it incorporates OAR 863-015-0130(2)(d) (5-15-14 Edition), which requires listing agreements to be signed by all parties to the agreement.

The listing agreement stated, “No extension or renewal of the agreement shall be effective unless it is in writing signed by “SELLER” and “PRINCIPAL BROKER.”

Chapman extended the listing on MLS on July 16, 2015, and again later on July 15, 2016 she extended the listing to July 22, 2017.

Chapman provided another copy of the listing agreement, stating an expiration date of July 22, 2015. This copy was not signed by the Fishers, however notations with their initials were on the document. On July 22, 2017, Chapman signed and dated this copy of the listing contract.
1.13 Chapman could not provide anything specifically showing the Fishers' written agreement to extend the listing of their property past the expiration date of July 22, 2015.

1.14 From February 10, 2016, to July 22, 2017, Chapman continued to have the Fishers' property listed without their written authorization to do so.

**Violation:** By failing to obtain signatures of all parties on an updated listing agreement and continuing to advertise the property and extend the listing without written consent of the owners, Chapman violated ORS 696.301(3) as it incorporates OAR 863-015-0125(2)(e) (5-15-2014 and 11-15-2016 Editions), which requires advertising be done only with the written permission of the property owner(s) or owner(s) authorized agent.

56 E NW 33rd St Newport, Oregon

1.15 On January 17, 2010, Nicolas and Patricia Watt (Watts) signed a listing agreement. The expiration date on the listing was September 14, 2012. The listing agreement stated, "No extension or renewal of the agreement shall be effective unless it is in writing and signed by SELLER and PRINCIPAL BROKER."

1.16 MLS records show Chapman extended the listing multiple times over the years, the last extension took place in December 28, 2015, extending the listing to December 31, 2016.

1.17 Chapman did not provide anything during the investigation that showed the Watts’ written agreement to extend the listing past the expiration date of September 14, 2012.

**Violation:** By continuing to advertise the property and extend the listing without written permission from the Watts, Chapman violated ORS 696.301(3) as it incorporates OAR 863-015-0125(2)(e) (9-14-2012, and 5-15-2014 Editions), which requires advertising be done only with the written permission of the property owner(s) or owner(s) authorized agent.

1.18 On August 27, 2015, the property was reconveyed to Bank of New York Mellon.

1.19 As of October 3, 2016, an ad for the property stated the price was subject to lender approval of a short sale. It also stated the owner was "Watts" and failed to indicate the property was bank/lender owned.

1.20 Chapman did not have the Bank of New York Mellon’s written permission to allow her to list the property after the transfer of ownership.
Violation: By failing to obtain written permission from the property owner to advertise
the property for sale after the ownership transfer Chapman violated ORS 696.301(3) as it

G Sea Crest, Otter Rock, Oregon:

1.21 Phillip and Karen Griffin (Griffins) signed a listing agreement with Chapman on
February 21, 2013. The listing agreement stated an expiration date of September 20, 2013.
1.22 MLS records indicate Chapman had been advertising the property as early as
October 28, 2011 (prior to the listing agreement).
1.23 Chapman was unable to provide any written agreement allowing her to list the
property prior to February 21, 2013.

Violation: By failing to obtain written permission from the property owners for
advertising done prior to February 21, 2013, Chapman violated ORS 696.301(3) as it
incorporates OAR 863-015-0125(2)(e) (6-15-10, 4-15-11, 9-1-11, and 9-14-12 Editions), which
requires advertising be done only with the written permission of the property owner(s) or
owner(s) authorized agent.
1.24 MLS records show the listing was extended several times by Chapman over the
years, with the last extension occurring on December 28, 2015, extending the listing to
December 31, 2016.
1.25 Chapman was unable to provide any documentation showing written permission
from the owners to extend the listing past the expiration date of September 20, 2013.

Violation: By continuing to advertise the property and extending the listing without
written permission from the owner, Chapman violated ORS 696.301(3) as it incorporates OAR
863-015-0125(2)(e) (4-1-13, 5-15-2014 Editions), which requires advertising be done only with the
written permission of the property owner(s) or owner(s) authorized agent.
1.26 On May 18, 2016, the Griffins listed the property with another broker. During this
time, Chapman was still advertising the property without written authorization to do so.
Chapman’s listing on MLS was cancelled on September 19, 2016.

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Violation: By continuing to advertise the property that was listed with another licensee, Chapman violated ORS 696.301(7) which states a real estate license may be disciplined if the licensee has intentionally interfered with the exclusive representation or exclusive brokerage relationship of another real estate licensee.

1.27 All of the above demonstrates incompetence in performing acts for which Chapman is required to hold a license.

Violation: ORS 696.301(12) (2009-2015 Editions) which states a real estate license can be disciplined if the licensee demonstrated incompetence in performing any act for which the licensee is required to hold a license.

2.

2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.

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

3.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by the Agency 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 the Agency and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. 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, in which case an amended notice of intent may be issued in this matter.

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ORDER

IT IS HEREBY ORDERED that Chapman’s principal broker license is hereby surrendered.

IT IS FURTHER ORDERED that Chapman be issued a real estate broker's license, (provided she has completed the broker application and paid the broker licensing fee) with limitations as set forth below:

(a) The limited license term shall be indefinite;

(b) Chapman shall not be convicted of any felony or misdemeanor during the limited license term;

(c) Chapman shall not violate any license law or rule during the limited license term;

(d) Chapman shall be required to give a copy of this Order to any principal broker through whom she is licensed during the limited license term, prior to licensing, and the principal broker shall acknowledge receiving a copy of this Order in writing to the Agency;

(e) The employing principal broker shall immediately notify the Agency of any license law violations by Chapman during the limited license term, and

IT IS FURTHER ORDERED that, should Chapman violate any term or condition of this Order, it may be a basis on which to revoke Chapman’s broker license in accordance with ORS 696.301(13).

IT IS FURTHER ORDERED that Chapman complete the 27-hour Broker Advanced Practices course, (detailed in OAR 863-022-0020, 1-1-2018 Edition), within four months from the effective date of this order. Chapman must submit a certificate to the Agency showing completion of the 27-hour Broker Advanced Practice Course. This certificate must be submitted to the Agency no later than 10 days after the education has been completed.

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PRINCIPAL BROKER'S ACCEPTANCE

I hereby accept and agree to abide by the foregoing and acknowledge that I have received a copy of the stipulated final order on 8-24-18.

Sherman Leitgeb
Employing Principal Broker (Please print name)

[Signature]
Employing Principal Broker's Signature
License No. 95120001

IT IS SO STIPULATED:

Lucinda Chapman
LUCINDA CHAPMAN
Date 8-24-2018

IT IS SO ORDERED:

[Signature]
DEAN OWENS
Acting Real Estate Commissioner
Date 9/7/2018

Date of Service: 9/7/2018
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Broker License
of CORY SPINK

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Cory Spink (Spink) do hereby agree and stipulate to the following:

FINDINGS OF FACT

Spink was licensed as broker associated with Windermere Western View Properties. Spink’s license expired on September 1, 2017, and was not renewed until February 12, 2018. During the time Spink’s license was expired, September 1, 2017 to February 11, 2018, 164 days, Spink continued conducting professional real estate activity as if actively licensed.

CONCLUSION OF LAW

By conducting professional real estate activity over the course of 164 days after Spink’s license expired and before renewing it, Spink violated ORS 696.020(2) and is subject to discipline or civil penalty pursuant to ORS 696.990(4) and (9).

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by the Agency 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 the Agency and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. 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.
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.

ORDER

IT IS HEREBY ORDERED that pursuant to ORS 696.990(1) to (9) and based upon the violation set forth above, Spink pay a civil penalty in the sum of $2,100.00, said penalty to be paid to the General Fund of the State Treasury by paying the same to the Agency. The civil penalty is computed in accordance with ORS 696.990(4) and (9) in that each 30-day period of unlicensed activity is considered one violation. In this instance, there were five 30-day periods of unlicensed activity.

IT IS SO STIPULATED:  

CORY SPINK

Date 7/26/18

IT IS SO ORDERED:

DEAN OWENS
Acting Real Estate Commissioner

Date 8/9/18

Date of Service: 8/9/2019
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Unlicensed Professional Real Estate Activity of TONI LYNNE O’HARA

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Toni Lynn O’Hara (O’Hara) do hereby agree and stipulate to the following:

FINDINGS OF FACT
&
CONCLUSION OF LAW

1.1 On September 18, 2017, the Agency received a complaint alleging O’Hara may be operating without a property manager license. On September 25, 2017, the Agency opened an investigation.

1.2 O’Hara was licensed as a property manager with Viking Property Management. On December 1, 2011, her property manager expired and later lapsed on December 1, 2012.

1.3 O’Hara told the Agency she thought she had successfully completed her license renewal.

1.4 On April 21, 2014, O’Hara contacted the Agency to check on the status of her license. She was told her license had lapsed and was told the process to submit a new application to obtain a license.

1.5 On April 21, 2014, O’Hara applied for a new property manager license but failed to complete all the required steps.

1.6 From the time her license expired through March 21, 2018, O’Hara continued to engage in the management of rental real estate activity. As of March 21, 2018, she was managing approximately 150 properties.

///

1 of 3 – Stipulated Final Order- Toni Lynn O’Hara
Violation: By continuing to conduct professional real estate activity from December 1, 2011 through March 21, 2018, O’Hara violated ORS 696.020(2) (2015 and 2017 Editions), which states an individual may not engage in, carry on, advertise or purport to engage in or carry on professional real estate activity, or act in the capacity of a real estate licensee, within this state unless the individual holds an active license. Professional real estate activity is defined in ORS 696.010(14) (2015 Edition), ORS 696.010(17) (2017 Edition), and includes management of rental real estate as defined per ORS 696.010(11) (2015 Edition), ORS 696.010(14) (2017 Edition).

1.7 Through a settlement conference, O’Hara provided mitigating circumstances which allowed the Agency to reduce the civil penalty.

1.8 O’Hara completed the licensing process and on July 18, 2018, she was issued a property manager license.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by the Agency 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 the Agency and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. 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.

///

///
ORDER

IT IS HEREBY ORDERED that pursuant to ORS 696.990(1) to (9) and based upon the violation set forth above, O'Hara pay a civil penalty in the sum of $18,800.00, said penalty to be paid to the General Fund of the State Treasury by paying the same to the Agency. The civil penalty is computed in accordance with ORS 696.990(4) and (9) in that each 30-day period of unlicensed activity is considered one violation. In this instance, there were seventy-six 30-day periods of unlicensed activity.

IT IS SO STIPULATED:

Toni Lynne O'Hara

IT IS SO ORDERED:

DEAN OWENS
Acting Real Estate Commissioner

Date 8/15/2018

Date of Service: 8/15/2018

3 of 3 – Stipulated Final Order- Toni Lynn O'Hara
REAL ESTATE BOARD
REGULATION DIVISION REPORT
October 8, 2018

Regulation Division Manager: Selina Barnes
Compliance Specialists 3 (Compliance Coordinator): Deanna Hewitt, Rob Pierce
Financial Investigators (Investigator-Auditor): Jeremy Brooks, Aaron Grimes,
   Frances Hlawatsch, Philip Johnson, Meghan Lewis, Lisa Montellano, Lindsey Nunes
Compliance Specialist 2: Carolyn Kalb
Compliance Specialists 1: Sue Davenhill, Denise Lewis
Administrative Specialist: Liz Hayes

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: clients’ trust accounts (CTA) mail-in reviews, expired activity investigations, background check investigations 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

<table>
<thead>
<tr>
<th>Average # Current Status</th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>9/19/18</th>
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<td>23</td>
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<tr>
<td>Pending Assignment</td>
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<td>14</td>
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<td>11</td>
<td>13</td>
<td>20</td>
<td>30</td>
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<td>Investigation</td>
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<td>55</td>
<td>51</td>
<td>45</td>
<td>35</td>
<td>38</td>
<td>38</td>
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<tr>
<td>(# of Investigators)</td>
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<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7*</td>
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<td>Admin Review</td>
<td>30</td>
<td>27</td>
<td>40</td>
<td>62</td>
<td>69</td>
<td>38</td>
<td>13</td>
</tr>
</tbody>
</table>

* One investigator on medical leave.

The Regulation Division has staff members attending the following:
- Financial Crimes and Digital Evidence Conference
- ARELLO Investigator Workshop
- Attorney General’s Elder Abuse Conference

Selina Barnes gave a case study presentation at the Oregon Association of Realtors Fall Conference in Eugene on 9/21/18. Selina will be presenting “ATTENTION: Violation Prevention!” following the board meeting.

For information on investigations resulting in administrative actions, please review the “Administrative Actions Summary” section of the Board packet.
Division Manager: Michael Hanifin

Section Overview:
The Land Development Division reviews and approves filings related to condominiums, timeshares, subdivisions, manufactured home subdivisions, and membership campgrounds. The section reviews and approves the foundational documents creating these types of properties, as well as later amendments to those documents, to verify compliance with statutory requirements. We also issue the Disclosure Statement (sometimes referred to as a Public Report) required for sales of these interests to Oregonians. The Disclosure Statement summarizes key information about the condominium for the consumer, somewhat like the owner’s manual for a car.

Workload and Activity Indicators

This year continues to see a steep growth in overall filing volume. At this time, our monthly filing volume is almost twice the average monthly filing volume (33 per month compared to an eight year average of 18 per month). As a result, this year’s filings through the end of July already exceeded the total yearly filings for any of the preceding eight years.

Rulemaking

Summary:
The agency is engaged in rulemaking in response to HB 4048 (2018 Session). HB 4048 created an advanced brokerage practices course for Principal Brokers. The agency is also engaged in a
rulemaking regarding the background check process regarding both potential employees and applicants. All agencies are now required to conform to the standards for background checks outlined in the Department of Administrative Services (DAS) administrative rules. Our agency has worked in conjunction with our HR staff at ODFW to comply with those requirements. The rules relating to background checks are divided into two divisions, one related to employees (division 3), and rules related to background checks for licensee applicants (division 5).

**Status:**
At this time, the agency has filed an initial notice of rulemaking activity regarding both the advanced brokerage practice course and background checks related to employees (division 3) and provided notice to all required and concerned parties. A public hearing will be held on October 12th regarding the rules revisions implementing the broker advanced practices course.

**Future Legislation, 2019 Regular Session**

**Agency Housekeeping Bill**
This is a minor housekeeping bill that clarifies in ORS 696.030(13) that vacation rentals are not subject to regulation. The clarification regarding vacation rentals is essentially removing the word “nonlicensed”, which we added inadvertently in our comprehensive cleanup of Chapter 696 during the 2017 session.

Update: The concept was approved by DAS and has been drafted by Legislative Counsel without changes.

**Industry Concepts Impacting Condominium Regulation**
We are aware of two legislative concepts being proposed by the public that impact the condominium regulation. As these are not agency bills, our role is to act as a resource as needed during the course of development.

The first concept is a reorganization and tightening up of the filing process for condominiums. As initially drafted for the 2017 session, this bill did not have substantive changes to law and focused on process and timing for filing requirements. This concept also modernizes Chapter 100 to facilitate future translation of the condominium filing process from paper to digital.

The second concept relates to the requirement of condominium unit owners associations to file annual reports with the agency. As background, every association is supposed to file an annual report with the agency. That report includes contact information for the chairperson, secretary, and agent. It also must be signed by two of the three, with one of them being the agent. This concept will change the signature requirement on annual reports from two signatures to one and make any changes necessary to ensure such annual reports can be filed digitally. These changes will facilitate the future conversion of the annual reporting to an online format.
Administrative Services Manager: Anna Higley
Communications Coordinator: Mesheal Heyman
Accountant: Caty Karayel
Systems Administrator: Tiffani Miller
Program Analyst: Rus Putintsev
Customer Service Manager: Madeline Alvarado
Compliance Specialist: Tami Schemmel
Compliance Specialist: Danette Rozell
Licensing Specialist: Jenifer Wetherbee
Receptionist: Nenah Darville

Section Overview
The Administrative Services Division acts as support to the Agency as well as the first point of contact for the public. This division manages budget/allotment preparation, accounting, purchasing and contracting, inventory control, facilities, payroll, special projects, information technology (IT), reception, licensing services, communications and education.

Budget Update
Financial Projections: For the 2017-19 biennium projected revenue is at $8.7 million, projected expenses are at $7.6 million and ending cash balance is expected to be $1.9 million. The legislature passed HB 5006 in the 2017 session which reduced state Agency budgets by approximately 3.5%. The Oregon Real Estate Agency budget was reduced by $276,000 which is primarily expected to be met with vacancy savings. As there has been relatively low turnover to date in this biennium, the Agency expects to meet this reduction with a combination of vacancy savings and deferred IT replacement costs.

Business
The Oregon State Treasury is in contract negotiations to expand credit card product offerings to include American Express for online payments to the state of Oregon. The Agency will be working with the Treasury in the coming months to explore this opportunity for online payments made to the Oregon Real Estate Agency in the eLicense system.

Education
The legislature passed HB 4048 which introduces a Principal Broker Advanced Practices (PB AP) course requirement. This applies to principal brokers renewing for the first time or reactivating their license from the inactive status (after an initial renewal in the inactive status) beginning in July 2019. At the end of August the Agency sent email communication to educators with instructions to submit the course for review. The Agency has received one PB AP course which is currently under review, to be completed by October 12th.

The Agency will continue to communicate with licensees affected by this new education requirement as well as publishing information in the OREN-J.

Licensing
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.
### RBN Renewal

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
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<tr>
<td>Eligible to Renew</td>
<td>427</td>
<td>365</td>
<td>395</td>
<td>351</td>
<td>341</td>
<td>354</td>
<td>255</td>
<td>279</td>
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<tr>
<td>Failed to Renew</td>
<td>23</td>
<td>26</td>
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<td>21</td>
<td>16</td>
<td></td>
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<tr>
<td>% Renewed</td>
<td>95%</td>
<td>93%</td>
<td>95%</td>
<td>94%</td>
<td>87%</td>
<td>91%</td>
<td>92%</td>
<td>94%</td>
<td></td>
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</table>

### Licensing Statistics

#### Total Licensee Counts by Month:

<table>
<thead>
<tr>
<th>Individuals (Persons)</th>
<th>July-18</th>
<th>Aug-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broker – Total</td>
<td>15,648</td>
<td>15,723</td>
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<tr>
<td>Active</td>
<td>13,993</td>
<td>14,087</td>
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<tr>
<td>Inactive</td>
<td>1,655</td>
<td>1,636</td>
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<tr>
<td>Principal Broker - Total</td>
<td>6,446</td>
<td>6,443</td>
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<tr>
<td>Active</td>
<td>6,049</td>
<td>6,060</td>
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<tr>
<td>Inactive</td>
<td>397</td>
<td>383</td>
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<tr>
<td>ALL BROKERS Total</td>
<td>22,094</td>
<td>22,166</td>
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<tr>
<td>Active</td>
<td>20,042</td>
<td>20,147</td>
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<tr>
<td>Inactive</td>
<td>2,052</td>
<td>2,019</td>
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<tr>
<td>Property Manager - Total</td>
<td>917</td>
<td>913</td>
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<tr>
<td>Active</td>
<td>800</td>
<td>788</td>
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<tr>
<td>Inactive</td>
<td>117</td>
<td>125</td>
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<tr>
<td>MCC Salesperson</td>
<td>22</td>
<td>21</td>
</tr>
<tr>
<td>MCC Broker</td>
<td>1</td>
<td>1</td>
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<tr>
<td>TOTAL INDIVIDUALS</td>
<td>23,034</td>
<td>23,101</td>
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<tr>
<td>Active</td>
<td>20,865</td>
<td>20,957</td>
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<tr>
<td>Inactive</td>
<td>2,169</td>
<td>2,144</td>
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#### New Licenses by Month:

<table>
<thead>
<tr>
<th>Individuals (Persons)</th>
<th>July-18</th>
<th>Aug-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broker</td>
<td>187</td>
<td>186</td>
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<tr>
<td>Principal Broker</td>
<td>13</td>
<td>14</td>
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<tr>
<td>TOTAL BROKERS</td>
<td>200</td>
<td>200</td>
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<tr>
<td>Property Manager</td>
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<tr>
<td>MCC Salesperson</td>
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<tr>
<td>MCC Broker</td>
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<tr>
<td>TOTAL INDIVIDUALS</td>
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<td>204</td>
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#### Facilities (Companies)

<table>
<thead>
<tr>
<th>Facilities (Companies)</th>
<th>July-18</th>
<th>Aug-18</th>
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<tr>
<td>REMO</td>
<td>6</td>
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<tr>
<td>Registered Business Name (RBN)</td>
<td>3,937</td>
<td>3,938</td>
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<td>Registered Branch Office (RBO)</td>
<td>735</td>
<td>732</td>
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<td>Escrow Organization</td>
<td>59</td>
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<td>Escrow Branch</td>
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<tr>
<td>PBLN</td>
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<td>PMLN</td>
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<td>CEP</td>
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<tr>
<td>MCC Operator</td>
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<tr>
<td>TOTAL FACILITIES</td>
<td>5,219</td>
<td>5,217</td>
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#### TOTAL INDIVIDUALS & FACILITIES

28,253 | 28,318
Exam Statistics

August 2018

ALL LICENSING EXAMS

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
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<tbody>
<tr>
<td>Broker</td>
<td>438</td>
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<tr>
<td>Property Manager</td>
<td>16</td>
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<tr>
<td>Principal Broker</td>
<td>70</td>
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<td>Reactivation</td>
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Pass Rates

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<tr>
<th>First Time Pass Rate Percentage</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tr>
<td>Broker State</td>
<td>72</td>
<td>69</td>
<td>64</td>
<td>61</td>
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<tr>
<td>Broker National</td>
<td>78</td>
<td>78</td>
<td>74</td>
<td>73</td>
<td>71</td>
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<tr>
<td>Principal Broker State</td>
<td>61</td>
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<td>59</td>
<td>58</td>
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<tr>
<td>Principal Broker National</td>
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<td>78</td>
<td>75</td>
<td>76</td>
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<td>Property Manager</td>
<td>61</td>
<td>59</td>
<td>64</td>
<td>69</td>
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## New Applications

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<th>Oct</th>
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<tr>
<td>Brokers</td>
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<td>352</td>
<td>353</td>
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<td>Principal Brokers</td>
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<td>32</td>
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<tr>
<td>Property Managers</td>
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<td>20</td>
<td>18</td>
<td>20</td>
<td>25</td>
<td>19</td>
<td>16</td>
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<tr>
<td>Total</td>
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<td>406</td>
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## Renewal Activity

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<tr>
<td>On Time</td>
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<tr>
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| **Grand Total**   |     |     |     |     |     |     |     |     |     |     |     |     | 7688  |
| Total Eligible to Renew | 943 | 915 | 969 | 975 | 1034 | 949 | 946 | 957 | 0   | 0   | 0   | 0    |
| **On Time**       |     |     |     |     |     |     |     |     |     |     |     |     | 5814  |
| Active            | 703 | 704 | 730 | 742 | 757 | 740 | 717 | 721 | 0   | 0   | 0   | 0    |
| Inactive          | 67  | 60  | 57  | 55  | 64  | 50  | 55  | 52  | 0   | 0   | 0   | 0    |
| **Late**          |     |     |     |     |     |     |     |     |     |     |     |     | 373   |
| Active            | 43  | 31  | 52  | 55  | 58  | 41  | 43  | 50  | 0   | 0   | 0   | 0    |
| Inactive          | 3   | 12  | 6   | 10  | 16  | 14  | 14  | 15  | 0   | 0   | 0   | 0    |
| **Lapse**         |     |     |     |     |     |     |     |     |     |     |     |     | 90    |
| Total Renewed     | 816 | 807 | 845 | 862 | 895 | 845 | 829 | 838 | 0   | 0   | 0   | 0    |
| Lapse             | 127 | 108 | 124 | 113 | 139 | 104 | 117 | 119 | 0   | 0   | 0   | 0    |

<p>| <strong>% On Time</strong>     | _   | 81.7% | 83.5% | 81.2% | 81.7% | 79.4% | 83.2% | 81.6% | 80.8% | #    | #    | #    | 81.6% |
| <strong>% Late</strong>        | _   | 4.9%  | 4.7%  | 6.0%  | 6.7%  | 7.2%  | 5.8%  | 6.0%  | 6.8%  | #    | #    | #    | 6.0%  |
| % Failed to Renew | _   | 13.5% | 11.8% | 12.8% | 11.6% | 13.4% | 11.0% | 12.4% | 12.4% | #    | #    | #    | 12.4% |
| <strong>Total</strong>         | _   | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | #    | #    | #    | 100.0% |</p>
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<th>Grand Total (Brokers, Principal Brokers, Property Managers)</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Total</th>
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<tbody>
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<td>Total Eligible to Renew</td>
<td>823</td>
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<td>829</td>
<td>820</td>
<td>855</td>
<td>908</td>
<td>980</td>
<td>929</td>
<td>960</td>
<td>924</td>
<td>817</td>
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<td>549</td>
<td>625</td>
<td>608</td>
<td>631</td>
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<td>743</td>
<td>708</td>
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<td>42</td>
<td>37</td>
<td>46</td>
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<td>18</td>
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<td><strong>Total Renewed</strong></td>
<td>720</td>
<td>650</td>
<td>728</td>
<td>703</td>
<td>747</td>
<td>807</td>
<td>862</td>
<td>818</td>
<td>847</td>
<td>812</td>
<td>722</td>
<td>792</td>
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<td>117</td>
<td>108</td>
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<td>118</td>
<td>111</td>
<td>113</td>
<td>112</td>
<td>95</td>
<td>117</td>
<td>1303</td>
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</table>

| % On Time       | 79.1%| 79.3%| 82.5%| 79.3%| 79.2%| 82.0%| 81.9%| 79.8%| 80.0%| 78.4%| 80.3%| 80.1%| 80.2% |
| % Late          | 8.4% | 6.6% | 5.3% | 6.5% | 8.2% | 6.8% | 6.0% | 8.3% | 8.2% | 9.5% | 8.1% | 7.0% | 7.4%  |
| % Lapsed (failed to renew in grace period) | 12.5%| 14.1%| 12.2%| 14.3%| 12.6%| 11.1%| 12.0%| 11.9%| 11.8%| 12.1%| 11.6%| 12.9%| 12.4% |
| **Total**       | 100.0%| 100.0%| 100.0%| 100.0%| 100.0%| 100.0%| 100.0%| 100.0%| 100.0%| 100.0%| 100.0%| 100.0%| 100.0% |
**Oregon Real Estate Agency**  
**Administrative Services Division**  
**Phone Counts**

<table>
<thead>
<tr>
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<th></th>
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<tr>
<td>Call Count</td>
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<td>1944</td>
<td>2065</td>
<td>1766</td>
<td>1963</td>
<td>1939</td>
<td>1809</td>
<td>2009</td>
<td>1893</td>
<td>1968</td>
<td>1711</td>
<td>2051</td>
<td>1938</td>
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# Real Estate Agency AY19 Budget – Biennium to Date (projections through 6/30/19)

<table>
<thead>
<tr>
<th>Services &amp; Supplies and Capital Outlay Detail:</th>
<th>Legislative Approved Budget</th>
<th>Expected Total Expenditures for Biennium (current)</th>
<th>Expected Remaining Limitation at end of Biennium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Personal Services</td>
<td>6,121,432</td>
<td>6,336,910</td>
<td>(215,478)</td>
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<tr>
<td><strong>Services &amp; Supplies and Capital Outlay Detail:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In-State Travel &amp; Out-of-State Travel</td>
<td>95,146</td>
<td>127,727</td>
<td>(32,581)</td>
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<tr>
<td>Employee Training</td>
<td>35,640</td>
<td>26,971</td>
<td>8,669</td>
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<td>Office Expenses</td>
<td>113,231</td>
<td>39,510</td>
<td>73,721</td>
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<tr>
<td>Telecom/Tech Services &amp; Support</td>
<td>29,024</td>
<td>58,017</td>
<td>(28,993)</td>
</tr>
<tr>
<td>State Government Services</td>
<td>205,532</td>
<td>223,987</td>
<td>(18,455)</td>
</tr>
<tr>
<td>Data Processing</td>
<td>85,296</td>
<td>83,941</td>
<td>1,355</td>
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<tr>
<td>Publicity &amp; Publications</td>
<td>55,374</td>
<td>920</td>
<td>54,454</td>
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<tr>
<td>Professional Services &amp; IT Professional Services</td>
<td>178,828</td>
<td>173,271</td>
<td>5,557</td>
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<tr>
<td>Attorney General Legal Fees</td>
<td>254,553</td>
<td>150,459</td>
<td>104,094</td>
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<tr>
<td>Employee Recruitment</td>
<td>7,464</td>
<td>1,000</td>
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<td>Dues &amp; Subscriptions</td>
<td>9,224</td>
<td>4,428</td>
<td>4,796</td>
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<tr>
<td>Facilities Rent &amp; Taxes</td>
<td>245,290</td>
<td>228,253</td>
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<td>Facilities Maintenance</td>
<td>4,354</td>
<td>2,671</td>
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<td>Agency Program Related S&amp;S</td>
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<td>1,276</td>
<td>38,520</td>
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<td>Other Services &amp; Supplies</td>
<td>116,647</td>
<td>155,630</td>
<td>(39,983)</td>
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<td>Expendable Property S250-$5000</td>
<td>28,081</td>
<td>6,218</td>
<td>21,863</td>
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<td>IT Expendable Property</td>
<td>157,006</td>
<td>29,763</td>
<td>127,243</td>
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<tr>
<td><strong>Total Services &amp; Supplies and Capital Outlay</strong></td>
<td><strong>1,660,486</strong></td>
<td><strong>1,314,140</strong></td>
<td><strong>346,346</strong></td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>7,781,918</strong></td>
<td><strong>7,651,049</strong></td>
<td><strong>130,869</strong></td>
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