

Overview

Property Manager Advanced Practices Course: 26 hours

Oregon House Bill 3137 removed the Fair Housing component from the Advanced Practices courses and reduced the total required hours from 27 to 26, **effective January 1, 2026**. Under Oregon Administrative Rule (OAR) 863-022-0045(2)(d), all providers offering Advanced Practices must submit revised course material for Oregon Real Estate Agency approval. Required submissions include the course curriculum, study materials and handouts, topic checklist, instructor materials (if any), final examination with answer key, and a continuing education instructor form for each instructor who will teach the course.

The 26-hour advanced practices course must include 26 clock-hours with at least one hour* on each of the following topics:

1. Agency law and affirmative duties in Oregon Revised Statute (ORS) 696.890
2. Property management agreements
3. Managing the operation of a property management company
4. Clients' trust accounts and security deposits accounts
5. Property management accounting and monthly reconciliation requirements* (6 hours minimum)
6. Oregon Residential Landlord and Tenant Act under ORS chapter 90
7. Property management records
8. Real Estate License Law under ORS chapter 696
9. Commercial Property Management
10. Emergency plans, energy management plans, maintenance and repair

Property Manager Advanced Practices Course Requirements and Learning Objectives

Final Examination: 60 questions. Student must receive a passing score of at least 75% on a final examination.

Course Requirements

The 26-hour property manager advanced practices course must include 26 clock-hours allocated among the topics and learning objectives described below:

1. Agency Law and Affirmative Duties of Real Estate Property Managers (ORS 696.890)

Learning Objectives. *After completing this section, the student will be able to:*

- Describe how and when a real estate property manager becomes an agent of a property owner and when the law on affirmative duties applies to the property manager.
- Describe and explain the affirmative duties a real estate property manager owes to a property owner under ORS 696.890.
- Identify all real estate licensees who owe affirmative duties to a property owner when engaging in the management of rental real estate.

2. Property Management Agreements

Learning Objectives. *After completing this section, the student will be able to:*

- Describe when a property management agreement is required under OAR 863-025-0020.
- Describe the required elements that must be in a property management agreement under OAR 863-025-0020.
- Define the term “identifying code” in OAR 863-025-0010 and describe when the identifying code must be used under OAR 863-025-0020, 863-025-0040, and 863-025-0065.
- Describe when a property manager must disclose, in writing, to a property owner that the property manager plans to use the property manager’s employees or plans to use a business in which a property manager has a pecuniary interest to provide services to the property owner under OAR 863-025-0020.
- Describe who may sign a property management agreement on behalf of the property manager under OAR 863-025-0020.
- Describe when a property management agreement must be amended, how to amend an agreement, and what must be included in an amendment under OAR 863-025-0020.
- Describe the steps a property manager must follow when a property management agreement is terminated under OAR 863-025-0070 and describe the time limitations for each step.

3. Managing the Operations of a Property Management Company, Including Written Policies and Delegation of Authority

Learning Objectives. *After completing this section, the student will be able to:*

- Define “Managing Principal Broker” under HB 3137 Section 2(a).
- Define “Authorized principal broker” under OAR 863-014-0003.

- Explain the duties of a managing principal broker under HB 3137.
- Explain when a written supervisory agreement and succession plan is required under HB 3137 section 21a and ORS 696.310.
- Recall the supervisory requirements for a principal broker, broker, and property manager as described in ORS 696.022(2)(a) and (4)(b).
- Identify when a property manager must have a written policy under OAR 863-025-0015.
- Describe the information a property manager must include in a written policy under OAR 863-025-0015.
- Identify what responsibilities of the property manager may be delegated under a delegation of authority as described in OAR 863-025-0015 and the individuals to whom the manager may delegate such authority under OAR 863-025-0020(6), 863-025-0028(5), 863-025-0045(2).
- Explain the property manager's documentation and record-keeping requirements if the manager delegates the property manager's authority to an individual under OAR 863- 025-0015.
- Explain that, if a property manager delegates the manager's authority to another, the property manager remains solely liable for all funds and transactions under OAR 863- 025-0028.
- Find on the Agency website a Delegation of Authority example.

4. Clients' Trust Accounts and Security Deposits Accounts

Learning Objectives. *After completing this section, the student will be able to:*

- Define "trust funds" in ORS 696.241.
- Define "clients' trust account," "security deposits account," and "security deposit" under OAR 863-025-0010.
- Recall that a property manager must open at least one clients' trust account per ORS 696.241.
- Identify the labeling requirements of a clients' trust account and security deposit account under OAR 863-025-0025.
- Recall why the labeling requirement is essential for FDIC limitations and prevention of account garnishment.
- Describe the two types of funds that may be held in a clients' trust account under OAR 863-025-0025.
- Describe the two types of funds that may be held in a security deposits account under OAR 863-025-0025.
- Explain when a clients' trust account is required under OAR 863-025-0025 and ORS 696.241.
- Explain when a security deposit account is required under OAR 863-025-0025 and ORS 696.241.
- Describe the steps a property manager must take to open and maintain a clients' trust account, including a security deposits clients' trust account, under ORS 696.241, ORS 696.245 and OAR 863-025-0025, including Agency notification requirements.
- Find on the Agency website the Notice of Clients' Trust Account and Authorization to Examine form.
- Describe the requirements for checks that are used for a clients' trust account or security deposits account under OAR 863-025-0025.
- Recall that the use of a debit card is prohibited on both a clients' trust account and a security deposits account under OAR 863-025-0025.

- Describe the steps a property manager must take to close a clients' trust account, including a security deposits clients' trust account, under ORS 696.241 and OAR 863- 025-0025, and when the property manager must notify the Real Estate Agency.
- Describe a pooled clients' trust account and a pooled security deposits account and how they are different from accounts maintained for a single owner or tenant.
- Describe the meaning of “sufficient funds” or “sufficient credit balance” on an owner’s ledger or tenant’s ledger under OAR 863-025-0010 and OAR 863- 025-0050 when planning a disbursement from a clients' trust account or security deposits account under OAR 863-025-0025.
- Describe the disclosure and disbursement requirements when trust funds are held in an interest-bearing account under OAR 863-025-0025.
- Explain why a disbursement from a clients' trust account when there is not a sufficient credit balance on an owner’s ledger is a violation of law under ORS 696.310 as it applies to ORS 696.890 and OAR 863-025-0025.
- Explain why a disbursement from a security deposits account when there is not a sufficient credit balance on a tenant’s ledger is a violation of law under ORS 696.310 as it applies to ORS 696.890 and OAR 863-025-0025.
- Recall that a property manager must be a signer on a clients’ trust account and security deposit account under OAR 863-025-0025.
- Recall that a property manager may not allow a property owner to be an authorized signer on a clients' trust account or security deposit account and may not allow an owner to deposit, hold, or disburse funds in a clients' trust account or security deposit account under OAR 863-025-0025.
- Define “commingling,” identify examples of commingling funds in a clients' trust account or security deposits account, and explain why commingling is prohibited under ORS 696.241.
- Explain the difference between a property manager’s business operating account and a clients' trust account and security deposits account.

5. Property Management Accounting

Learning Objectives. *After completing this section, the student will be able to:*

- Recognize that a property manager must prepare and maintain a chronological record of receipts and disbursements in a record of receipts and disbursements or a check register for both a client trust account and a security deposit account under OAR 863-025- 0040.
- Identify the required items of a record of receipts and disbursements or check register under OAR 863- 025-0040.
- Explain why a property manager must maintain an account balance after each entry for a receipt, deposit or disbursement under OAR 863-025-0040.
- Prepare a record of receipts and disbursements or check register that complies with OAR 863-025-0040.
- Identify the information required in an individual owner and tenant ledger under OAR 863-025-0055 and 863-025-0050.
- Prepare an individual owner and tenant ledger that complies with OAR 863-025-0050.
- Describe the monthly reporting requirements for changes in the owner ledger (monthly owner statement) under OAR 863-025-0055.
- Prepare a monthly owner statement that complies with OAR 863-025-0055.

- Describe how a property manager may receive tenant security deposits and when a property manager must deposit a tenant's security deposit into a security deposits account under OAR 863-025-0025 and OAR 863-025-0030.
- Explain when a property manager must deposit trust funds in a client's trust account or security deposits account under OAR 863-025-0065 and 863-025-0030.
- Identify the required documentation if checks are received by the property manager but made payable to the owner under OAR 863-025-0065.
- Identify the disclosure requirements and documentation when security deposits are owner held under OAR 863-025-0030 and 863-025-0065.
- Define "deposit slip" under OAR 863-025-0065 and explain the information a property manager must record on each deposit slip.
- Identify the requirements when receiving cash, including cash receipts and disbursement procedures under OAR 863-025-0060 and OAR 863-025-0065.
- Define the term "audit trail" in OAR 863-025-0010.
- Recognize that a property manager must retain all paid bills and receipts that explain the amount of and purpose for each disbursement and each receipt of funds that are entered into the record of receipts and disbursements or check register under OAR 863- 025-0040
- Recognize when a monthly three-way reconciliation is required versus when a two- way reconciliation may be accepted (Pooled Account vs. Single Owner Account).
- Recognize that a property manager is required to reconcile each client's trust account and reconcile each security deposits account within 30 calendar days of the date of the bank statement under OAR 863-025-0025.
- Identify the monthly reconciliation requirement for a client's trust account, including that the reconciliation must have three components that are contained in a single reconciliation document, and the totals of all three parts must be as of the ending bank statement date under OAR 863-025-0025.
- Identify the monthly reconciliation requirement for a security deposit account, including that the reconciliation must have three components that are contained in a single reconciliation document, and the totals of all three parts must be as of the ending bank statement date under OAR 863-025-0025.
- Recognize that the balances for each component must be equal to and reconcile with each other. If any adjustment is needed, the adjustment must be clearly identified and explained on the reconciliation document under OAR 863-025-0025
- Identify the required documents to complete each component of the monthly reconciliation under OAR 863-025-0028, including:
 - The bank statement and report identifying outstanding transactions is used to determine the reconciled bank statement balance or Part I.
 - The record of receipts and disbursements or check register as of the ending bank statement date is used to establish the balance of Part II.
 - The report identifying the sum of all positive owner ledgers or individual tenant ledgers as of the ending bank statement date is used to identify the balance of Part III.
- Explain why a property manager must use the sum of all positive individual tenants' ledgers in the monthly reconciliation of a security deposits account under OAR 863-025-0050.
- Explain that the property manager must use the sum of all positive owners' ledgers in the reconciliation of a clients' trust account under OAR 863-025-0025.

- Perform a three-way reconciliation for a clients' trust account under OAR 863-025-0025.
- Perform a three-way reconciliation for a security deposits account under OAR 863-025-0025.
- Explain the accounting processes for bank fees, bank charges and non-sufficient (NSF) funds.
- Describe the reconciliation documents a property manager must maintain under OAR 863-025-0025 and OAR 863-025-0035.
- Recognize that the property manager is responsible for determining if a property management accounting software is compliant with ORS 696.241, ORS 696.243, OAR 863-025-0025, 863-025-0035, OAR 863-025-0040, OAR 863-025-0050 through OAR 863-025-0065.
- Explain the steps for complying with Oregon's Unclaimed Property Law under ORS 98.302 and OAR 141-045-0005.

6. Oregon Residential Landlord and Tenant Act under ORS Chapter 90

Learning Objectives. *After completing this section, the student will be able to:*

- Describe the laws relating to the rights and duties of tenants and landlords and apply the law to a property manager engaging in the management of rental real estate.
- Explain the different requirements for landlords and property managers under the Oregon Residential Landlord and Tenant Act for manufactured housing and for real property.
- Describe the requirements for a landlord or property manager to evict a tenant and apply the laws to different situations.
- Describe recent changes to the Oregon Residential Landlord and Tenant Act.
- Describe the rights of tenants in foreclosed homes.
- Explain how to legally enforce landlord rules.

7. Property Management Records

Learning Objectives. *After completing this section, the student will be able to:*

- Describe the records a property manager is required to create and maintain under ORS 696.280 and OAR 863-025-0035.
- Explain the requirements for a property manager to produce records for the Oregon Real Estate Agency under OAR 863-025-0035.
- Recall the Agency may issue a civil penalty for failure to produce property management records under ORS 696.990.
- Recall the requirement for backing up electronic records as described in OAR 863-025-0035.
- Recall where property management records may be maintained, and when to notify the Agency if these records are maintained in a different location and/or outside of the state as described in OAR 863-025-0035.
- Explain the requirements for a property manager to produce records for an owner under OAR 863-025-0068.

8. Real Estate License Law

Learning Objectives. *After completing this section, the student will be able to:*

- Explain how Oregon Related Statutes (ORS) and Oregon Administrative Rules (OAR) are created and describe their differences.
- Describe how to find and use Oregon Related Statutes and Oregon Administrative Rules relevant to real estate licensing.
- Identify which professional real estate activities a licensed real estate property manager may engage in under the definition of “management of rental real estate” in ORS 696.010 and which “professional real estate activities,” as defined in ORS 696.010, the licensee is prohibited from doing
- Describe the different real estate activities a licensed Property Manager and Principal Broker may conduct.
- Describe the major grounds for disciplinary action against licensees under ORS 696.301, including the violation of an administrative rule.
- Identify both the disciplinary action taken and the grounds for discipline in at least five recent administrative actions issued by the Real Estate Agency against a licensee relating to the management of rental real estate.
- Describe when a licensed property manager must register a business name with the Secretary of State and the Oregon Real Estate Agency and explain the requirements for registering and maintaining a business name and branch office under ORS 696.026, OAR 863-024-0095 and OAR 863-024-0100.
- Identify that a property manager must establish and maintain in this state a place of business designated as the property manager’s main office under 696.200.
- Describe the continuing education requirements and renewal process for licensed real estate property managers under OAR 863-020-0010, OAR 863-020-0015 and OAR 863- 024-0050, including requirements for online renewal.
- Explain why the Oregon Real Estate Agency requires a licensee to maintain a current e-mail address and mailing address using the Agency’s online license management system under OAR 863-024-0062.
- Identify the advertising requirements as described on OAR 863-025-0125.
- Recall that a licensee may engage in Residential Property Wholesaling under Oregon Laws 2024, chapter 3, section 2.
- Identify the disclosure requirements if licensee engages in Residential Property Wholesaling under Oregon Laws 2024, chapter 3, section 5 and OAR 863-017-0025.
- Explain what community association management is and why it does not fall under professional real estate activity or the management of rental real estate.
- Define “vacation rental property” and explain why an individual who manages vacation rental property is exempt from licensing under 696.030.
- Describe the roles of the Oregon Real Estate Agency and Oregon Real Estate Board under ORS 696.375 through 696.425.
- Describe how an individual may subscribe to Oregon Real Estate Agency publications and updates, including the Oregon Real Estate News-Journal and Administrative Rule Update service.

9. Commercial Property Management

Learning Objectives. *After completing this section, the student will be able to:*

- Identify the differences between commercial property management and residential property management.
- Recall that the same accounting and reconciliation requirements are required when managing commercial properties.
- Explain how to locate resources for additional information on commercial property management.
- Define commercial lease structures, including percentage rents, ground lease, net lease, full-service lease and gross lease.
- Define commercial property types, including multifamily, retail, office and industrial spaces.
- Calculate net operating income.
- Identify permitted zoning uses for commercial property.

10. Emergency plans, energy management plans, maintenance and repair

Learning Objectives. *After completing this section, the student will be able to:*

- Create an emergency plan for multi-family housing or commercial property.
- Explain resources on how to develop energy management plans.
- Describe maintenance and repair responsibilities of property managers including, but not limited to, awareness of potential concerns in the following areas: lead based paint, construction defects, professional inspections, smoke detectors, carbon monoxide and CC&R's.