



Oregon

Tina Kotek, Governor

AGENDA ITEM NO.

I.C.

Notice of Agency
OREGON REAL ESTATE BOARD
Regular Meeting Agenda
Courtyard Corvallis, Corvallis, Oregon
August 5, 2024

Real Estate Agency
530 Center St. NE, Suite 100
Salem, Oregon 97301-2505
Phone: (503) 378-4170
www.oregon.gov/rea

I. BOARD BUSINESS - Chair Beal

- A. Call to Order
- B. Chair Beal comments/Roll Call
- C. Approval of the Agenda and Order of Business
- D. Approval of 6.3.24, regular meeting minutes
- E. Date of the Next Meeting: 10.07.24 to begin at 10am, Location: Online

II. PUBLIC COMMENT - Chair Beal

- 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 Beal Waiver request log.

- A. None

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER - Chair Beal.

- A. None

V. BOARD ADVICE/ACTION - Commissioner Strode

- A. None

VI. NEW BUSINESS - Commissioner Strode

- A. None

VII. COMMUNICATIONS - ADMINISTRATIVE ACTIONS SUMMARY - Chair Beal

- A. Regulatory Process Overview – Commissioner Strode

VIII. REPORTS – Chair Beal

- A. Commissioner Strode
- B. Agency division reports-Deputy Commissioner Higley
 1. Regulation Division – Elli Kataura
 2. Compliance Division – Anna Higley
 3. Land Development Division – Michael Hanifin
 4. Administrative Services Division – Mesheal Tracy
 5. Licensing & Education Division – Anna Higley

IX. ANNOUNCEMENTS – Chair Beal. Next board meeting: 10.07.24 to begin at 10am, Online

X. ADJOURNMENT – Chair Beal

Interpreter services, auxiliary aids for persons with disabilities, and access to attend remotely by videoconference are available upon advance request.



Oregon

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AGENDA ITEM NO.

I.D.

Real Estate Agency
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OREGON REAL ESTATE BOARD
Regular Meeting Minutes
Salishan Lodge, Gleneden Beach, Oregon
June 3, 2024
10:00 a.m.

BOARD MEMBERS PRESENT:

LaTasha Beal
Michael Warren
Jose Gonzalez
Jessenia Juarez
Debra Neal
Dawn Duerksen
Stacy Ellingson-Remote
James Komro
Tom Tapia

BOARD MEMBERS ABSENT:

None

OREA STAFF PRESENT:

Steve Strode, Commissioner
Anna Higley, Deputy Commissioner
Elli Kataura, Regulation Division Manager
Michael Hanifin, Land Development Division Manager
Mesheal Tracy, Administrative Services Division Manager
Liz Hayes, Compliance Division Manager

CITIZEN:

David Adolf Kathleen Milldrum
Laura Allen Anita Quilici
Claire Chadney Freddy Saxton
Garett Chadney Krisi Sieng
Janine Duronslet Doretta Smith
Nickolas Dyer Jewell Stockli
Lynlei Gilleo Victoria Strauss
Feather Hrycz Cheryl Swan
Sarah Johnson Debra Williams
Michael Kessinger

I. BOARD BUSINESS - Chair Beal

- A. Call to Order
- B. Chair Gonzalez comments/Roll Call
- C. Approval of the Agenda and Order of Business

**MOTION TO APPROVE 6.3.2024 REGULAR MEETING AGENDA AS SUBMITTED BY JAMES KOMRO
SECONDED BY TOM TAPIA
MOTION CARRIED BY UNANIMOUS VOTE**

- D. Approval of 4.1.24, regular meeting minutes

**MOTION TO APPROVE 4.1.24 REGULAR MEETING MINUTES AS SUBMITTED BY MICHAEL WARREN
SECONDED BY JESSENIA JUAREZ
MOTION CARRIED BY UNANIMOUS VOTE**

- E. Date of the Next Meeting: 8.5.24 to begin at 10am, Location: Corvallis TBD

II. PUBLIC COMMENT - Chair Beal

- A. None

III. REQUESTS FOR WAIVERS - Chair Beal

- A. None



Oregon

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

A. None

V. BOARD ADVICE/ACTION - Commissioner Strode

A. 4058

VI. NEW BUSINESS - Commissioner Strode

A. None

VII. COMMUNICATIONS - ADMINISTRATIVE ACTIONS SUMMARY - Chair Beal

A. Guest Speaker – Chris Huntington, Construction Contractors Board

VIII. REPORTS – Chair Beal

A. Commissioner Strode

B. Agency division reports-Deputy Commissioner Higley

1. Regulation Division – Elli Kataura
2. Compliance Division – Liz Hayes
3. Land Development Division – Michael Hanifin
4. Administrative Services Division – Mesheal Tracy
5. Licensing & Education Division – Anna Higley

IX. ANNOUNCEMENTS – Chair Beal Next board meeting: 8.5.24 to begin at 10am, Corvallis, OR - TBD

X. ADJOURNMENT – Chair Beal

Interpreter services, auxiliary aids for persons with disabilities, and access to attend remotely by videoconference are available upon advance request.

ADMINISTRATIVE ACTIONS

Reported 05/20/2024

Through 07/21/2024

REVOCATIONS

Gottlieb, Michael J, Principal Broker PB.200803103, Default Final Order dated May 23, 2024, issuing a revocation and a \$10,000.00 civil penalty.

SUSPENSIONS

None.

REPRIMANDS

Lindley, Alice, Property Manager, PM.200305134, Stipulated Final Order dates June 10, 2024, issuing a reprimand.

Wright, Jeffrey, Principal Broker, PB.201204355, Stipulated Final Order date June 11, 2024, issuing a reprimand.

Urena, Alfredo, Broker, B.960400005, Stipulated Final Order date June 17, 2024, issuing a reprimand.

Lloyd, Gregory, Principal Broker, PB. 200606414, Stipulated Final Order date Jun2 21, 2 024, issuing a reprimand.

Figuroa, Freddie, Principal Broker, PB.201210858. Stipulated Final Order date July 5, 2024, issuing a reprimand.

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

UNLICENSED ACTIVITY

Manson, Rodney, Unlicensed, Order to Cease and Desist dated June 6, 2024.

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of)
FREDDIE JAEI FIGUEROA) STIPULATED FINAL ORDER

The Oregon Real Estate Agency (Agency) and Freddie Jael Figueroa (Figueroa) do hereby agree and stipulate to the following:

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Figueroa was licensed as a broker with Keller Williams Premier Portland (KWPP). On July 12, 2023, Figueroa became licensed as a principal broker with KWPP.

1.2 On January 25, 2023, the Agency received a complaint from William and Ronda Peoples (Peoples) against Figueroa. The Agency opened an investigation.

1.3 On May 4, 2022, the Peoples entered into a listing agreement with Figueroa and KWPP to market and sell their property in Cornelius, OR (Property).

1.4 In Section 2 of the listing agreement, the exclusive right to sell was granted as follows, "The undersigned SELLER hereby grants to BROKER's FIRM the exclusive right to sell the property located at the address set for above."

1.5 On December 5, 2022, Figueroa disassociated his license with KWPP and moved it to Premiere Property Group LLC (PPG).

1.6 A search on Redfin's website showed the listing for the Peoples' Property was removed from RMLS on December 9, 2022.

1 1.7 In response to the complaint, Figueroa provided to the Agency a “Mutual
2 Agreement for Transfer of Files” (Transfer Agreement) that had been signed on December 5,
3 2022. The Transfer Agreement was signed by Figueroa, his Principal Broker at KWPP Kelly
4 Deos (Deos), along with Figueroa’s new Principal Broker at PPG, Sheryll Fong (Fong).

5 1.8 The Transfer Agreement included 12 files that KWPP agreed to transfer to PPG.
6 The Peoples’ Cornelius Property was one of the files.

7 1.9 In their complaint, the Peoples’ claimed they were not consulted and did not
8 approve this change.

9 **(1) Conclusion of Law:** By signing the “Mutual Agreement for Transfer of File” prior
10 to having a conversation and approval from the sellers, not contacting the Peoples until
11 December 10, 2022, and then providing incorrect information regarding the termination of the
12 listing in his text message, Figueroa violated ORS 696.301(3) as it incorporates ORS
13 696.805(3)(a) (2021 Edition).
14 1.10 Figueroa provided the Agency a copy of the “Addendum to
15 Listing Contract” (Addendum). The Addendum shows an effective date of December 8, 2022.

16 1.11 In Section A of the Addendum, it states “Seller authorizes Agent to change the
17 status of their current listing with Keller Williams Realty Portland Premiere to canceled in the
18 applicable MLS.” The Addendum further states “All parties agree that the listing is herein
19 canceled completely. Freddie Figueroa will furnish William and Ronda Peoples with the listing
20 photos of the home immediately at no charge, and all parties will have no further obligations.”

21 1.12 The Addendum was signed by Figueroa, Deos, and Fong. The Peoples did not
22 sign the Addendum.

23 1.13 On December 10, 2022, Figueroa sent a text message to Ronda Peoples (R.
24 Peoples) informing her that he had switched companies and that their property had come off
25 the market. In the text, Figueroa asked if she wanted the Property re-listed. The text also
26 included the statement “this is also an opportunity to just cancel the listing/terminate our
27 agreement since it automatically terminates when I join a new brokerage.”

28 1.14 In an interview with Agency Investigator Cidia Nañez (Nañez), R. Peoples said
29 she did not receive that text message.
30

1 would be conducted in accordance with the procedures set forth in ORS Chapter 183 and in
2 accordance with the Rules of Practice and Procedure adopted by the Attorney General of the
3 State of Oregon. By signing this Stipulated Final Order, I freely and voluntarily waive my rights
4 to a Hearing, to representation by legal counsel at such a Hearing, and to judicial review of this
5 matter.

6 I hereby agree and stipulate to the above Findings of Fact and Conclusions of Law and
7 understand that the Order which follows hereafter, which I have also read and understand,
8 may be completed and signed by the Real Estate Commissioner or may be rejected by the
9 Real Estate Commissioner. I further understand that, in accordance with the provisions of
10 ORS 696.445(3), notice of this Order shall be published in the Oregon Real Estate News
11 Journal.

12 In addition to all of the above, I agree that once the Commissioner executes this
13 Stipulated Final Order, I will accept service of the Stipulated Final Order by email, and hereby
14 waive the right to challenge the validity of service.

15 ORDER

16 IT IS HEREBY ORDERED that Freddie Figueroa's principal broker license be, and
17 hereby is reprimanded.

18
19
20 IT IS SO STIPULATED:

IT IS SO ORDERED:

21
22 DocuSigned by:
23 *Fred Figueroa*
1F732546DE50475...

24 FREDDIE FIGUEROA

25
26 Date 7/4/2024 | 5:47 AM PDT

DocuSigned by:
Steve Strode
E2C2D0097AD8471...

STEVEN STRODE

Real Estate Commissioner

27 Date 7/5/2024 | 11:08 AM PDT

28 Date of Service: 7/5/2024



REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

MICHAEL JAMES GOTTLIEB

FINAL ORDER BY DEFAULT

PROCEDURAL HISTORY AND PROCEDURAL LAW

1.

1.1 On April 16, 2024, the Real Estate Commissioner issued, by certified mail, a *Notice of Intent to Revoke and to Assess a Civil Penalty* the real estate principal broker license of Michael Gottlieb (Gottlieb) The Oregon Real Estate Agency (Agency) sent the *Notice of Intent to Revoke and to Assess a Civil Penalty* to Gottlieb’s last known address of record with the Agency (710 Row River Rd, Cottage Grove, OR 97424). The *Notice of Intent to Revoke and to Assess a Civil Penalty* was also mailed to Gottlieb by regular first-class mail to the above address in a handwritten envelope. And *The Notice of Intent to Revoke and to Assess a Civil Penalty* was emailed to Gottlieb at his email address of record.

1.2 The email was not returned as undeliverable.

1.3 Neither the certified mailing nor the first-class mailing have been returned to the Agency. Over twenty days (20 days) have elapsed since the mailing of the notice issued in this matter and no written request for hearing has been received by the Agency.

2.

Based upon the foregoing, and upon the Agency’s investigation reports, documents and files that, pursuant to Section 9 of the *Notice of Intent to Revoke and to Assess a Civil Penalty*, automatically become part of the evidentiary record of this disciplinary action upon default (for the purpose of proving a prima facie case (ORS 183.417(4)), the Real Estate Commissioner finds:

2.1 A notice of intent is properly served when deposited in the United States mail, registered or certified mail, and addressed to the real estate licensee at the licensee's last known address of record with OREA. (ORS 183.415(2); OAR 137-003-0505; OAR 863-001-0006. If correctly addressed, such a notice is effective even though it is not received by the person to be notified. *Stroh v. SAIF*, 261 OR 117, 492 P2d 472 (1972) (footnote 3 in this case misquotes the cited treatise and contradicts the text of the opinion; treatise and cited case law support the proposition stated in the text.) Also, notice is effective even though the addressee fails or refuses to respond to a postal service "mail arrival notice" that indicates that certified or registered mail is being held at the post office. See *State v. DeMello*, 300 Or App 590, 716 P2d 732 (1986) (discussing use of certified mail to effectuate notice of driver's license suspension under ORS 482.570). See also *El Rio Nilo, LLC v. OLCC*, 240 Or App 362, 246 P3d 508 (2011) (Notice by certified mail effective even though addressee did not pick up in time to file request for hearing timely).(Oregon Attorney General's Administrative Law Manual and Uniform Model Rules Of Procedure Under the Administrative Procedures 2019 Edition at pages 97-98.

2.2 Gottlieb's last known address of record with the Agency was 710 Row River Rd, Cottage Grove, OR 97424.

2.3 A certified mailing of the *Notice of Intent* was mailed to Gottlieb at his last known address of record on April 16, 2024. The certified mailing of the notice has not been returned to the Agency.

2.4 The notice was also mailed regular first-class mail in a handwritten envelope to the above possible address for Gottlieb. The mailings in the handwritten envelope have not been returned to OREA. The OAH Rules contain a rebuttable presumption that documents sent by regular mail are received by the addressee. ORS 137-003-0520(10). If the regularly mailed notice is actually received, it is effective on the date received, rather than the date of mailing.

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

2.6 According to ORS 696.775, the lapsing, expiration, revocation or suspension of a real estate license, whether by operation of law, order of the Real Estate Commissioner or

decision of a court of law, or the inactive status of the license, or voluntary surrender of the license by the real estate licensee does not deprive the commissioner of jurisdiction to: (1) proceed with an investigation of the licensee; (2) conduct disciplinary proceedings relating to the licensee; (3) Take action against a licensee, including assessment of a civil penalty against the licensee for a violation of ORS 696.020(2); or (4) revise or render null and void an order suspending or revoking a license.

2.7 As noted in section 9 of the *Notice of Intent to Revoke and to Assess a Civil Penalty*, and section 2 above, the Agency's entire investigation file was designated as the record for purposes of presenting a prima facie case upon default, including submissions from Gottlieb and all information in the administrative file relating to the mailing of notices and any responses received.

FINDINGS OF FACT

3.

3.1 At all times mentioned herein, Gottlieb was licensed as a principal broker with Mountain View Real Estate & Property Management (MVRE).

3.2 Gottlieb's principal broker license expired on December 31, 2023.

Brogan Weybright Complaint

3.3 On April 11, 2023, the Agency received a complaint from Brogan Weybright (Weybright), regarding Gottlieb. The Agency opened an investigation.

3.4 In their complaint, Weybright wrote that MVRE managed two properties for them. Gottlieb failed to return funds received from the properties, along with failing to pay utilities on one of the properties. Weybright also wrote that Gottlieb failed to provide requested documents when asked. The complaint also includes an allegation that one unit on the property was occupied by a person without a lease and not for market rent.

3.5 On April 20, 2023, Gottlieb provided the Agency a written response to the complaint. Gottlieb wrote that he manages one property for Weybright, acts only as a 'consultant' on other properties, and stated that all funds, deposits, or rent due to the owner as

well as documentation have been available with MVRE legal counsel since the day they were requested.

3.6 In his response to the Agency, Gottlieb also wrote that a fire caused a tenant to be displaced, and it was Weybright's idea to move the displaced tenant into a vacant unit.

3.7 On June 6, 2023, Agency Investigator Frank H. Leonard Jr. (Leonard) emailed Weybright and requested their property management agreement (PMA) and to identify what documents were requested from Gottlieb that were yet to be received.

3.8 Weybright responded to Leonard's email, writing that Gottlieb managed an 8-unit trailer park and home associated to the park, a 62-space RV park with a single-family home associated to it. Six units in Gardiner, Oregon were almost completed with new rental agreements. Weybright claimed they did not receive any documents from Gottlieb.

3.9 Weybright wrote that the PMA is missing, and that their attorney was able to get 'some' funds, but that compiling all the missing data was something that their CPA and wife are working on.

3.10 Weybright stated that on May 1, 2023, they received some funds, but no documents.

3.11 On June 6, 2023, Leonard sent an email to Gottlieb, requesting he provide the PMA and 'consulting' agreement to the Agency by June 14, 2023.

3.12 On June 14, 2023, Gottlieb requested and was granted a two-week extension for submitting the requested documents. Gottlieb stated that his attorney Kent Anderson (Anderson) was unable to provide the documents or access to the digital copies due to ongoing hardware failure with his office controller card.

3.13 On June 27, 2023, Leonard made a second request by email for the PMA and 'consulting' agreement. Leonard also emailed six investigation questions for response.

3.14 On July 3, 2023, Gottlieb emailed Leonard that Anderson would be representing him through the investigation. On the same day, Leonard emailed Anderson requesting the PMA, 'consulting agreement', and owner's ledger.

3.15 Anderson replied to Leonard's email stating "All of my electronic records are on my disabled server and will not be accessible until later this week. I have a lot of documents from Michael Gottlieb and his company, but I can't access them until the server is repaired."

3.16 On July 10, 2023, Gottlieb emailed Leonard a PMA. The PMA listed two properties, 120 Cannon Road, and 152 Cannon Road, located in Lowell, Oregon.

3.17 A review of the PMA shows it was not signed by Weybright and only has Gottlieb's initials and signature.

3.18 In answer to an emailed question from Leonard, regarding the PMA, Gottlieb wrote, "In the absence of signed contracts (against my better judgment and mistake I will never repeat), I have operated based on mutual verbal agreements, a practice supported by a history of regular payments and communications that underscored our agreed terms. I have provided the agreement for the management of the Lowell property that I do not have signed, but that was provided to him in December of 2018 before I commenced any management activities."

(1) Violation: By failing to have the property owner sign the PMA, and instead only having his signature on the document, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0020(1)(2)(L) 1/1/2018, 1/1/2019, 1/1/2020, 1/1/2021, 1/1/2022, and 1/1/2023 Editions, which states (1) a property manager must not engage in the management of rental real estate without a written, unexpired property management agreement between the owner and the property manager; (2) a property management agreement must include, but is not limited to; (L) signatures of the property manager, or a person authorized in section (6) of this rule, and the owner.

In addition, this act violates ORS 696.301(3) and its implementing rule OAR 863-025-0035(1)(a) 1/1/2018, 1/1/2019, 1/1/2020, 1/1/2021, 1/1/2022, and 1/1/2023 Editions, 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: (a) a legible copy of each executed property management agreement and any executed addenda or amendments to that agreement.

The above is also a violation of ORS 696.301(3) as it incorporates ORS 696.890(3) 2019, 2021, and 2023 Editions, which states a real estate property manager may engage in the management of rental real estate for an owner of rental real estate only pursuant to a property management agreement.

3.19 On July 10, 2023, Gottlieb sent an email to Leonard writing that his office experienced a roof leak in March 2023, destroying several physical documents. Gottlieb wrote

that the original documents were presented to his legal counsel prior to verification of an online or offline backup. Gottlieb wrote that they were trying to recover these documents and expected access to be restored by the end of that week.

(2) Violation: By not having property management records that were accessible when requested by the Agency, Gottlieb violated ORS 696.301(3) as it incorporates ORS 696.280(5) 2023 Edition, which states (5) records under this section may be maintained in any format that allows for inspection and copying by the commissioner or the commissioner's representatives, as prescribed by rule of the Agency.

3.20 On July 31, 2023, Leonard emailed Weybright and requested the owner's ledger and tenant ledger. Weybright responded via email writing "There is not a ledger or one that anyone can decipher. My accountant is working through the past years of data, but [Gottlieb] stopped providing me ledgers almost two years ago."

(3) Violation: By not maintaining, or providing the property owner a monthly report of the owner's ledger, as required, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0055(1)(4) 1/1/2022 and 1/1/2023 Editions, which states (1) a property manager must prepare and maintain at least one separate owner's ledger for each property management agreement, for all funds received and disbursed, and (4) a property manager must report in writing to each owner any change in the owner's ledger. A monthly report, showing all receipts and disbursements for the account of the owner during the prior monthly period, is sufficient under this section. A copy of each such report must be preserved and filed in the property manager's records.

3.21 On July 31, 2023, Leonard emailed Anderson inquiring about the documentation that he requested on July 3, 2023. That same day Anderson responded and wrote "My server is in CA with the manufacturer and not yet been returned to service. However, we have successfully restored most of our database from a backup and I can now access notes and emails. I believe my client sent you whatever relevant management agreement he had. It is my understanding that he was only able to locate an unsigned document from an email he sent to Mr. Weybright. I have no other agreement."

3.22 Leonard conducted a phone interview with Weybright on July 31, 2023. Leonard asked Weybright what documents they had requested from Gottlieb and what they had

received. Weybright stated that they requested "the rental agreements, the logs and pretty much everything." Weybright said that they did not receive rental agreements, contact information, or copies of the PMAs.

(4) Violation: By not providing the property owner with copies of tenant contact information, tenant agreements or ledgers, when requested, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0068(1) (1/1/2023 Edition) which states (1) upon written request from a property owner, a property manager must deliver to the owner the information listed in subsections (a) through (e) of this section for each tenant within five business days of actually receiving the request for information, unless the owner and the manager agree to a different time period.

3.23 On August 7, 2023, Gottlieb emailed Leonard a Summary of Weybright Properties Ledgers (SWPL). The SWPL indicates that \$34,611.22 was issued to Weybright on April 19, 2023.

3.24 Additionally, on August 7, 2023, Gottlieb emailed Leonard the following:

- Deposit ledger and tenant statement for tenants K. Whitney and J. Ansell. The log indicates that the deposit of \$1,500.00 was transferred to Anderson.
- Tenant statement and deposit log with a date range of 04/27/2021-03/01/2023, for tenant M. Doty, and the tenant's address. The log indicates a deposit to Anderson for transfer to client of \$1,850.00.
- Tenant statements and deposit log with a date range of 04.27.2021-04/07/2023 for tenant R. Anderson, and the tenant's address. The deposit log indicates a \$1,850.00 transfer to Anderson for payment to client.
- Tenant statement and deposit log with a date range 03/03/2023-04/01/2023 for S. McNamara. The deposit log indicated \$1,450.00 transfer to Anderson for payment to client.
- Tenant statement and deposit log with a date range 03/23/2023-04/01/2023 for T. Casper, and tenant's address. The deposit log indicated a \$1,450.00 transfer to Anderson for payment to client.

- Tenant statement dates 01/01/2019-04/01/2023 for R. Carico, and the tenant's address. The deposit log noted #3,018.00 transfer to Anderson for payment to client.
- Tenant statement dated 08/18/2021-03/30/2023 for R. Pearson, and tenant's address. On the deposit under the prepaid rent liability, it indicates transfer to Anderson for payment to client of \$700.00.
- Tenant statement dated 03/17/2023-04/01/2023 for A. Ames and R. Ames, and the tenant's address. The deposit ledger notes \$1,150.00 transfer to Anderson for payment to client.

(5) Violation: By failing to maintain complete tenant ledgers, in part, as required, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0050(4)(b)(c)(d)(B)(C)(D) (1/1/2019, 1/1/2020, 1/1/2021, 1/1/2022, 1/1/2023 Editions) which states (4) a tenant's ledger must contain at least the following information: (b) the legal description of the property, the mailing address of the property and the unit number, or a unique series of letters and/or numbers that establishes an audit trail to the tenant agreement; (c) the identifying code; (d) for each deposit of funds; (B) the purpose of the funds and identity of the person who tendered the funds; (C) the check number, cash receipt number or a unique series of letters and/or numbers that established an audit trail to the receipt of funds; (D) the date the funds were deposited.

3.25 Gottlieb emailed Leonard the Rental Owner Statement for 120 and 152 Cannon Street. A review of the statements shows an insufficient ledger balance on 11/2/2022, of -\$559.89 through 11/8/2022, with a high insufficient balance in the amount of -\$4,196.90. The ledger was brought sufficient on 12/1/2022.

3.26 A review of the December 2021 Rental Owner Statement for 120 and 152 Cannon Street, shows a distribution of \$8,019.54 dated 12/27/2021, which caused an insufficient balance of -\$1,744.43. An additional management fee dated 12/27/2021, caused the insufficient balance to increase to -\$1,772.56.

(6) Violation: By disbursing funds causing the client's trust account for 120 and 152 Cannon Street to have a negative ledger balance in December 2021, and November 2022, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(3) (1/1/2021, 1/1/2022 Editions) which states (3) a property manager must not disburse funds from a clients'

trust account or security deposits account unless there are sufficient funds, as defined in OAR 863-025-0010, in the ledger account against which the disbursement is made.

(7) Violation: By disbursing funds for a management fee causing the client's trust account ledger for 120 and 152 Cannon Street to have a negative balance, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(6) (1/1/2021 1/1/2022 Editions) which states (6) a property manager must disburse earned management fees from the clients' trust account at least once each month unless a different schedule of disbursement is specified in the property management agreement, and may only disburse such fees if sufficient funds are available.

3.27 On August 23, 2023, Gottlieb emailed the December 2022 reconciliation for clients' trust account ending in 1813 (CTA #1813), as requested by Leonard. A review of the reconciliation shows part I, II, and III reconcile at \$28,696.12. Gottlieb's signature attesting to the accuracy and completeness of the reconciliation is dated April 28, 2023. No supporting documentation of the December 2022 reconciliation, including the bank statement, check register, and owner ledgers were provided.

(8) Violation: By failing to complete the December 2022 client trust account reconciliation for CTA #1813 until April 2023, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(2)(d)(A)(B) (1/1/2022, 1/1/2023 Editions) which states (2) 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; (d) within 30 calendar days from the date of the bank statement, the property manager must: (A) complete the reconciliation document; (B) sign and date the reconciliation document, attesting to the accuracy and completeness of the reconciliation.

3.28 Schedule C, (Owner Ledgers or Tenant Security Deposits) shows the Owner ID Code entered as, "4WLLC01" and "FBOAMER01". 4WLLC01 is further described as "869 AUTUMN" with a reconciled balance of \$2,874.27. FBOAMER01 is further described as "IRA-AMERITITRADE – 120/152 CANNON" with a reconciled balance in December 2022 of \$25,821.85.

3.29 Gottlieb had previously provided Leonard a cumulative "Rental Owner Statement", dated, 6/18/21-4/30/23 for 120 and 152 Cannon Street. An additional title reads,

“TD Ameritrade FBO Brogan Weybright_*****6215”. A review of this report shows for the dates of 12/1/2022 through 12/28/2022, the highest balance in December 2022 is \$4,646.90 on 12/6/2022 (after being insufficient the prior 30-days.) The next date after 12/28/22 is shown as 1/1/2023, with a balance of \$3,756.95.

(9) Violation: By completing a single trust account reconciliation document for CTA #1813 for December 2022 that indicated \$25,821.85 maintained for “IRA-Ameritrade-120/152 Cannon”, and also submitting a cumulative owner statement for 120/152 Cannon, that indicated for the month of December 2022, a high balance of only \$4,646.90, Gottlieb is subject to Grounds for Discipline per ORS 696.301(14)(2023 Edition) because he (14) 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.

3.30 On August 24, 2023, Leonard emailed Gottlieb and requested that he submit the corresponding bank statement and check register that supported the account balance as indicated on the single reconciliation document for CTA #1813. That same day, Gottlieb responded, saying he would send them that day.

3.31 Gottlieb failed to provide the December 2022 CTA #1813 supporting documentation of the bank statement and check register, as requested.

(10) Violation: By failing to provide records of your property management activity upon request by the Agency, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(b)(c) (1/1/2023 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; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to produce such records within the timelines stated in subsection (a) or (b) of this section is a violation of ORS 696.301.

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Dane Palmer Complaint

3.32 On September 7, 2023, the Agency received a complaint from Dane Palmer (Palmer) against Gottlieb. The Agency opened an additional investigation.

3.33 In the complaint, Palmer alleged that Gottlieb has not provided statements for Palmer's account or rentals for at least two years, despite requests for them. Palmer also alleged that Gottlieb is holding approximately \$35,000.00 and will not allow him access to it.

3.34 On October 11, 2023, Palmer texted Leonard a photo of a sign attached to Gottlieb's office door. The signage reads "NEW MAIL ADDRESS WE HAVE CHANGED OUR MAILING ADDRESS – Dear Tenants, the office will be closed indefinitely to the public, while undergoing repairs and renovation. All correspondence, payments, maintenance requests should be sent to MVREPM LLC PMB 325, Cottage Grove, Oregon, 97424. Thank you all for your attention to this matter. Best Regard, Mike Gottlieb Principal Broker Mountain View Real Estate & PM 541-653-2868."

3.35 According to Agency records, MVRE's RBN address is 710 Row River Road, Cottage Grove, OR. Gottlieb has not notified the Agency of a change of address for MVRE.

(11) Violation: By not notifying the Agency within 10 calendar days that MVRE had a change of mailing address, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-024-0062(1) (1/1/2023 Edition) which states that each active, inactive and expired property manager licensee must maintain on file with the Agency a current mailing address and email and notify the Agency within 10 calendar days of a change of mailing or email address.

3.36 On October 11, 2023, Leonard conducted a video interview with Palmer. Palmer told Leonard that Gottlieb has been managing his properties for the last 15 years. When asked if he had a PMA with Gottlieb, Palmer stated he did, but no longer had copies due to records being lost in a fire. Palmer recalled that the PMA was paper format.

3.37 When asked how funds were disbursed, Palmer stated, "What I would do is, I would leave money with Gottlieb because there were things that I wanted to do with the money. But occasionally, I would contact him and say send me \$5,000 or \$10,000 bucks. And he would do it." Palmer said, "Sometime in May of this year, I got \$5,000 from Gottlieb and it was difficult to get."

3.38 Leonard asked Palmer when the last time he had received funds from Gottlieb. Palmer stated that he requested \$10,000.00 from Gottlieb in August 2023. Palmer did not receive the requested disbursement.

3.39 Palmer provided a text he sent to Gottlieb dated August 21, 2023, which stated “Can you get me \$10,000, please.” On August 22, 2023, Palmer sent a follow up “Did you get my text. Gottlieb replied “Hi Dane, I saw it late night. I got so many texts in the am it was buried; I’ll get that going asap. Have a great day.”

(12) Violation: By failing to disburse funds to the owner as requested, Gottlieb violated ORS 696.301(3) as it incorporates ORS 696.890(4)(a)(c)(d)(e)(f) (2023 Edition) which states real estate property manager owes the property owner the following affirmative duties: (a) to deal honestly and in good faith; (c) to exercise reasonable care and diligence; (d) to account in a timely manner for all funds received from or on behalf of the owner; (e) to act in a fiduciary manner in all matters relating to trust funds (f) to be loyal to the owner by not taking action that is adverse or detrimental to the owner’s interest.

3.40 During his interview, Palmer told Leonard that the water pump on the property had to be replaced. Palmer said Gottlieb took the contractor’s invoice and said he would pay it, but never did.

3.41 Palmer provided an unpaid invoice for the water pump. The invoice was dated July 17, 2023, with a due date of August 17, 2023, in the amount of \$3,059.00.

3.42 Palmer told Leonard that his new property manager had let him know that there were bills for the property that had not been paid in several months, including the garbage bill.

3.43 On October 16, 2023, Cottage Grove Garbage Service attached invoices that were past due for the property within the last year.

(13) Violation: By failing to pay the garbage bill, resulting in garbage collection being cancelled for the property, along with failing to pay the invoice for the water pump replacement, Gottlieb violated ORS 696.301(3) as it incorporates ORS 696.890(4)(a)(c)(d)(f) (2023 Edition) which states that a real estate property manager owes the property owner the following affirmative duties: (a) to deal honestly and in good faith; (c) to exercise reasonable care and diligence; (d) to account in a timely manner for all funds received from or on behalf of the

owner; (f) to be loyal to the owner by not taking action that is adverse or detrimental to the owner's interest.

3.44 On October 18, 2023, Leonard sent an email to Gottlieb requesting records which included:

- PMA with Palmer
- Owner Ledger
- Security deposit ledger
- Rental agreements
- Formal response to allegation

3.45 Gottlieb has not responded to the Agency's request for comment or submitted the requested documents.

(14) Violation: By failing to provide records of his property management activity upon request by the Agency, Gottlieb violated OAR 863-025-0035(2)(a)(b)(c) (1/1/2023 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; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to produce such records within the timelines stated in subsection (a) or (b) of this section is a violation of ORS 696.301.

Judi Hoaglin Complaint

3.46 On October 4, 2023, Judi Hoaglin (Hoaglin) submitted a complaint to the Agency against Gottlieb. The Agency opened an additional investigation.

3.47 On September 11, 2023, Hoaglin emailed Gottlieb advising him that Kensington Property Management (KPM) was assuming the property management for Palmer. Hoaglin requested Gottlieb provide lease agreements, tenant ledgers, and maintenance records with keys for all the properties.

3.48 On September 18, 2023, Gottlieb sent a text to Hoaglin stating "...I will get all the rental agreements and ledgers to you by email today, and then will send you a package with everything I have for keys deposit, and ledger by tomorrow..."

3.49 On December 7, 2023, Leonard sent an email to Hoaglin inquiring if funds or documents have been received from Gottlieb. Hoaglin replied that she had not received anything.

(15) Violation: By failing to provide the requested property management agreement, security deposits, owner ledger, and tenant ledger to the property owner or the property management company within 60 days of notice of termination, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0070(2)(a)(b)(A)(B)(C)(D)(E)(F) (1/1/2023 Edition) which states (2) not later than 60 days after the effective date of the termination, the property manager must: (a) disburse all obligated funds to the party or parties entitled to the funds; and (b) provide the owner with the following: (A) a final accounting of the owner's ledger account; (B) All funds belonging to the owner as shown on the owner's ledger, unless the owner directs the property manager, in writing, to transfer the funds to another property manager, escrow agent or person; (C) An accounting of all security deposits and fees held for tenants; (D) All tenant security deposits and fees held for tenants, unless the owner directs the property manager, in writing, to transfer the security deposits and fees to another property manager, escrow agent or person; (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; and (F) a notice the property manager may destroy the required records of the property management activity performed after six years.

STATEMENT OF LAW APPLICABLE TO FINDINGS OF FACT

4.

4.1 ORS 696.301(3) states a real estate licensee's real estate license may be disciplined if they have: ORS 696.301(3) which states a real estate licensee's real estate license may be disciplined if they have: (3) disregarded or violated any provision of ORS

659A.421, 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.890 or any rule of the Real Estate Agency

4.2 ORS 696.301(12) states a licensee's real estate license can be disciplined if they have demonstrated incompetence or untrustworthiness in performing any act for which the licensee is required to hold a license.

4.3 ORS 696.301(14) states a licensee's real estate license can be disciplined if they have 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.

4.4 ORS 696.396(2)(c)(B) and (C). According to ORS 696.396(2)(c)(B) and (C) the Real Estate Commissioner may revoke a real estate license if material facts establish a violation of a ground of discipline under ORS 696.301 that: (B) exhibits incompetence in the performance of professional real estate activity; or (C) Exhibits dishonesty or fraudulent conduct.

4.5 OAR 863-027-0020(1) defines the goal of progressive discipline and OAR 863-027-0020(2) sets out all factors the Real Estate Commissioner will consider when determining the level of discipline for licensees.

4.6 ORS 696.990(6)(a) states a real state licensee who is a real estate property manager or principal real estate broker and who is engaging in or who has engaged in the management of rental real estate may be required to forfeit and pay to the General Fund of the State Treasury a civil penalty of up to \$1,000.00 per day of violation, or a lesser penalty in an amount determined by the commissioner if the licensee fails to comply with rules that require the licensee to produce for inspection records related to the management of rental real estate that are maintained by the licensee as provided by ORS 696.280. ORS 696.990(6)(b) states a civil penalty imposed under this subsection may not exceed \$10,000.00.

4.7 In establishing the violations alleged above, the Agency may rely on one or more definitions contained in ORS 696.010.

4.8 And, in accordance with ORS 696.775, the lapsing, expiration, revocation or suspension of a real estate license, whether by operation of law, order of the Real Estate

Commissioner or decision of a court of law, or the inactive status of the license, or voluntary surrender of the license by the real estate licensee does not deprive the commissioner of jurisdiction to: (1) proceed with an investigation of the licensee; (2) conduct disciplinary proceedings relating to the licensee; (3) Take action against a licensee, including assessment of a civil penalty against the licensee for a violation of ORS 696.020(2); or (4) revise or render null and void an order suspending or revoking a license.

ULTIMATE FINDINGS OF FACT

5.

5.1 Gottlieb failed to have the property owner sign the PMA, and instead only had his signature on the document.

5.2 Gottlieb failed to have property management records that were accessible when requested by the Agency.

5.3 Gottlieb failed to maintain or provide the property owner a monthly report of the owner's ledger.

5.4 Gottlieb failed to provide the property owner with copies of tenant contact information, tenant agreements or ledgers, when requested.

5.5 Gottlieb failed to maintain complete tenant ledgers.

5.6 Gottlieb disbursed funds causing the client's trust account for 120 and 152 Cannon Street to have a negative ledger balance in December 2021, and November 2022.

5.7 Gottlieb disbursed funds for a management fee causing the client's trust account ledger for 120 and 152 Cannon Street to have a negative balance.

5.8 Gottlieb failed to complete the December 2022 client trust account reconciliation for CTA #1813 until April 2023.

5.9 Gottlieb provided conflicting information of reported balances by completing a single trust account reconciliation document for CTA #1813 for December 2022 that indicated \$25,821.85 maintained for "IRA-Ameritrade-120/152 Cannon", and also submitting a cumulative owner statement for 120/152 Cannon, that indicated for the month of December 2022, a high balance of only \$4,646.90.

5.10 Gottlieb failed to notify the Agency within 10 calendar days that MVRE had a change of mailing address.

5.11 Gottlieb failed to disburse funds to the property owner as requested.

5.12 Gottlieb failed in his duties to the owner by failing to pay the garbage bill, resulting in garbage collection being cancelled for the property, along with failing to pay the invoice for the water pump replacement.

5.13 Gottlieb failed to provide the requested property management agreement, security deposits, owner ledger, and tenant ledger to the property owner or the property management company within 60 days of notice of termination.

5.14 Gottlieb's failure to timely produce, or complete failure to produce, the records constitutes grounds to impose a civil penalty as per ORS 696.990(6)(a) and (b).

5.15 In summary, the facts above establish grounds to revoke Gottlieb's principal broker license and impose a civil penalty in an amount up to \$10,000.00.

CONCLUSIONS OF LAW

6.

6.1 Pursuant to ORS 183.417(4) and OAR 137-003-0670 Gottlieb is in default.

6.2 The material facts establish a violation of grounds for discipline, by preponderance of the evidence, under ORS 696.301 as set forth in the *Notice of Intent to Revoke and to Assess a Civil Penalty*. ORS 696.396(1),(2)(c)(B) and (C).

6.3 Based on these violations, the Agency may revoke Gottlieb's principal broker license.

6.4 Specifically, Gottlieb is subject to discipline pursuant to ORS 696.301(3), (12) and (14) for (3) disregarding or violating any provision of ORS 659A.421, 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870 and 696.890 or any rule of the Real Estate Agency; (12) demonstrating incompetence or untrustworthiness in performing any act for which the licensee is required to hold a license; and (14) having 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.

6.5 A revocation of Gottlieb's principal broker license is appropriate for violations of ORS 696.301(3), (12) and (14).

6.6 A revocation of Gottlieb's principal broker license is appropriate under ORS 696.396(2)(c)(B) and (C). According to ORS 696.396(2)(c)(B) and (C) the Agency may revoke a real estate license if the material facts establish a violation of a ground of discipline under ORS 696.301 that (B) exhibits incompetence in the performance of professional real estate activity; and (C) exhibits dishonest or fraudulent conduct.

6.7 The Notice of Intent to Revoke and to Assess a Civil Penalty also established ground to assess a civil penalty pursuant to ORS 696.990(6)(a)(b), and based on these violations, the Agency may assess a civil penalty against Gottlieb.

6.8 Based on the evidence in the record, the preponderance of the evidence supports the revocation of Gottlieb's principal broker license.

6.9 The Agency may therefore revoke Gottlieb's principal broker license. The Agency may also assess a civil penalty in the amount of \$10,000.00.

6.10 Pursuant to ORS 696.775 the expiration of Gottlieb's license does not prohibit the Commissioner from proceeding with this, or further action.

6.11 The specific violations are repeated here below:

(1) Violation: By failing to have the property owner sign the PMA, and instead only having his signature on the document, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0020(1)(2)(L) 1/1/2018, 1/1/2019, 1/1/2020, 1/1/2021, 1/1/2022, and 1/1/2023 Editions, which states (1) a property manager must not engage in the management of rental real estate without a written, unexpired property management agreement between the owner and the property manager; (2) a property management agreement must include, but is not limited to; (L) signatures of the property manager, or a person authorized in section (6) of this rule, and the owner.

In addition, this act violates ORS 696.301(3) and its implementing rule OAR 863-025-0035(1)(a) 1/1/2018, 1/1/2019, 1/1/2020, 1/1/2021, 1/1/2022, and 1/1/2023 Editions, 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: (a) a legible copy of each executed property management agreement and any executed addenda or amendments to that agreement.

The above is also a violation of ORS 696.301(3) as it incorporates ORS 696.890(3) 2019, 2021, and 2023 Editions, which states a real estate property manager may engage in the management of rental real estate for an owner of rental real estate only pursuant to a property management agreement.

(2) Violation: By not having property management records that were accessible when requested by the Agency, Gottlieb violated ORS 696.301(3) as it incorporates ORS 696.280(5) 2023 Edition, which states (5) records under this section may be maintained in any format that allows for inspection and copying by the commissioner or the commissioner's representatives, as prescribed by rule of the Agency.

(3) Violation: By not maintaining, or providing the property owner a monthly report of the owner's ledger, as required, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0055(1)(4) 1/1/2022 and 1/1/2023 Editions, which states (1) a property manager must prepare and maintain at least one separate owner's ledger for each property management agreement, for all funds received and disbursed, and (4) a property manager must report in writing to each owner any change in the owner's ledger. A monthly report, showing all receipts and disbursements for the account of the owner during the prior monthly period, is sufficient under this section. A copy of each such report must be preserved and filed in the property manager's records.

(4) Violation: By not providing the property owner with copies of tenant contact information, tenant agreements or ledgers, when requested, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0068(1) (1/1/2023 Edition) which states (1) upon written request from a property owner, a property manager must deliver to the owner the information listed in subsections (a) through (e) of this section for each tenant within five business days of actually receiving the request for information, unless the owner and the manager agree to a different time period.

(5) Violation: By failing to maintain complete tenant ledgers, in part, as required, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0050(4)(b)(c)(d)(B)(C)(D) (1/1/2019, 1/1/2020, 1/1/2021, 1/1/2022, 1/1/2023 Editions) which states (4) a tenant's ledger

must contain at least the following information: (b) the legal description of the property, the mailing address of the property and the unit number, or a unique series of letters and/or numbers that establishes an audit trail to the tenant agreement; (c) the identifying code; (d) for each deposit of funds; (B) the purpose of the funds and identity of the person who tendered the funds; (C) the check number, cash receipt number or a unique series of letters and/or numbers that established an audit trail to the receipt of funds; (D) the date the funds were deposited.

(6) Violation: By disbursing funds causing the client's trust account for 120 and 152 Cannon Street to have a negative ledger balance in December 2021, and November 2022, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(3) (1/1/2021, 1/1/2022 Editions) which states (3) a property manager must not disburse funds from a clients' trust account or security deposits account unless there are sufficient funds, as defined in OAR 863-025-0010, in the ledger account against which the disbursement is made.

(7) Violation: By disbursing funds for a management fee causing the client's trust account ledger for 120 and 152 Cannon Street to have a negative balance, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(6) (1/1/2021 1/1/2022 Editions) which states (6) a property manager must disburse earned management fees from the clients' trust account at least once each month unless a different schedule of disbursement is specified in the property management agreement, and may only disburse such fees if sufficient funds are available.

(8) Violation: By failing to complete the December 2022 client trust account reconciliation for CTA #1813 until April 2023, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(2)(d)(A)(B) (1/1/2022, 1/1/2023 Editions) which states (2) 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; (d) within 30 calendar days from the date of the bank statement, the property manager must: (A) complete the reconciliation document; (B) sign and date the reconciliation document, attesting to the accuracy and completeness of the reconciliation.

(9) Violation: By completing a single trust account reconciliation document for CTA #1813 for December 2022 that indicated \$25,821.85 maintained for "IRA-Ameritrade-120/152 Cannon", and also submitting a cumulative owner statement for 120/152 Cannon, that indicated for the

month of December 2022, a high balance of only \$4,646.90, Gottlieb is subject to Grounds for Discipline per ORS 696.301(14)(2023 Edition) because he (14) 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.

(10) Violation: By failing to provide records of your property management activity upon request by the Agency, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0035(2)(a)(b)(c) (1/1/2023 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; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to produce such records within the timelines stated in subsection (a) or (b) of this section is a violation of ORS 696.301.

(11) Violation: By not notifying the Agency within 10 calendar days that MVRE had a change of mailing address, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-024-0062(1) (1/1/2023 Edition) which states that each active, inactive and expired property manager licensee must maintain on file with the Agency a current mailing address and email and notify the Agency within 10 calendar days of a change of mailing or email address.

(12) Violation: By failing to disburse funds to the owner as requested, Gottlieb violated ORS 696.301(3) as it incorporates ORS 696.890(4)(a)(c)(d)(e)(f) (2023 Edition) which states real estate property manager owes the property owner the following affirmative duties: (a) to deal honestly and in good faith; (c) to exercise reasonable care and diligence; (d) to account in a timely manner for all funds received from or on behalf of the owner; (e) to act in a fiduciary manner in all matters relating to trust funds (f) to be loyal to the owner by not taking action that is adverse or detrimental to the owner's interest.

(13) Violation: By failing to pay the garbage bill, resulting in garbage collection being cancelled for the property, along with failing to pay the invoice for the water pump replacement,

Gottlieb violated ORS 696.301(3) as it incorporates ORS 696.890(4)(a)(c)(d)(f) (2023 Edition) which states that a real estate property manager owes the property owner the following affirmative duties: (a) to deal honestly and in good faith; (c) to exercise reasonable care and diligence; (d) to account in a timely manner for all funds received from or on behalf of the owner; (f) to be loyal to the owner by not taking action that is adverse or detrimental to the owner's interest.

(14) Violation: By failing to provide records of his property management activity upon request by the Agency, Gottlieb violated OAR 863-025-0035(2)(a)(b)(c) (1/1/2023 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; (b) if the Agency has reasonable grounds to believe that funds of an owner or tenant may be missing or misappropriated or that the property manager is engaging in fraudulent activity, any records demanded or requested by the Agency must be produced immediately; and (c) failure to produce such records within the timelines stated in subsection (a) or (b) of this section is a violation of ORS 696.301.

(15) Violation: By failing to provide the requested property management agreement, security deposits, owner ledger, and tenant ledger to the property owner or the property management company within 60 days of notice of termination, Gottlieb violated ORS 696.301(3) and its implementing rule OAR 863-025-0070(2)(a)(b)(A)(B)(C)(D)(E)(F) (1/1/2023 Edition) which states (2) not later than 60 days after the effective date of the termination, the property manager must: (a) disburse all obligated funds to the party or parties entitled to the funds; and (b) provide the owner with the following: (A) a final accounting of the owner's ledger account; (B) All funds belonging to the owner as shown on the owner's ledger, unless the owner directs the property manager, in writing, to transfer the funds to another property manager, escrow agent or person; (C) An accounting of all security deposits and fees held for tenants; (D) All tenant security deposits and fees held for tenants, unless the owner directs the property manager, in writing, to transfer the security deposits and fees to another property manager, escrow agent or person; (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; and (F) a notice the property manager may destroy the required records of the property management activity performed after six years.

ORDER

IT IS HEREBY ORDERED that Gottlieb's principal broker license is revoked.

IT IS FURTHER ORDERED that, pursuant to ORS 696.990(6)(a)(b) and based upon the violation set forth above, Gottlieb pay a civil penalty of \$10,000.00, said penalty to be paid to the General Fund of the State Treasury by paying the same to OREA.

Dated this 23rd day of May, 2024.

OREGON REAL ESTATE AGENCY

DocuSigned by:
Steve Strobe
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Steven Strobe
Real Estate Commissioner

NOTICE OF RIGHT TO APPEAL: 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 to the Oregon Court of Appeals, 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)
ALICE LINDLEY) STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Lindley was a licensed property manager acting in the capacity of a sole practitioner and doing business under the registered business name of Optimum Property Management, Inc. (OPM).

1.2 On June 7, 2023, Lindley was notified that her clients' trust account ending in 6256 (CTA #6256), which holds owner funds, had been selected for reconciliation review. Documents for April 2023 were provided to the Agency. An investigation was opened due to the outstanding issues found in the review.

1.3 In an email to Agency Compliance Specialist Roger McComas, Lindley wrote that the account under review was dormant and had been since 2020.

1.4 A review of the reconciliation documents shows as of April 2023 there was \$50,673.50 in the account.

1.5 On October 17, 2023, in a phone call with Agency Investigator Lindsey Nunes (Nunes), Lindley stated CTA #6256 had funds from property management activity and vacation rentals, but she did not know who the funds belonged to. Lindley stated that she has not used that account since September 2020.

1 1.6 Lindley provided Nunes a bank statement for CTA #6256 and a check register for
2 the month of September 2023. The bank statement showed a \$1,537.99 deposit and
3 withdrawal. The ending balance for the account was \$50,673.50.

4 1.7 The check register provided by Lindley shows a transfer of \$17,246.37 on
5 October 13, 2020. No description is included in the register for this transfer. The register also
6 includes a check transfer of \$2,640.76 on November 13, 2020, to a new clients' trust account.

7 1.8 A review of the check register shows for the years 2017 through 2020, multiple
8 receipts and deposits of funds were identified as "Unknown." There was also missing check
9 and receipt numbers, as well as missing descriptions of the person who tendered the funds.

10 1.9 The check register shows an ending balance of \$67,423.88, dated November 30,
11 2020.

12 **(1) Conclusion of Law:** By failing to maintain a complete and adequate check register as
13 required for CTA #6256, including failing to have a record of receipts and disbursements, a
14 check or receipt number, the purpose of funds or description of who tendered the funds,
15 Lindley violated ORS 696.301(3) and its implementing rule OAR 863-025-0040(2)(a)(C)(b)
16 (C)(D) 11/15/2026, 1/1/2028, 1/1/2019, and 1/1/2020 Editions.

17 1.10 Lindley provided Nunes a report titled "Reconciliation Detail" for CTA #6256 for
18 the period ending September 30, 2023. A review of the report showed 85 'Uncleared
19 Transactions' for checks and payments for the period May 31, 2016, through September 28,
20 2020, for a total amount of \$38,189.96. The report included 126 'Uncleared Transactions' for
21 deposits and credits, for a total amount of \$54,940.00. The difference between the total
22 uncleared transactions was \$16,750.38.

23 1.11 The ending balance on the "Reconciliation Detail" was shown as \$67,423.88.

24 **(2) Conclusion of Law:** By failing to complete monthly reconciliations for CTA #6256 for
25 the period May 2016 through September 2020, Lindley violated ORS 696.301(3) and its
26 implementing rule OAR 863-025-0028(2) 11/15/2016, 1/1/2018, 1/1/2019, 1/1/2020, 1/1/2021,
27 1/1/2022, and 1/1/2023 Editions.

28 1.12 During a phone interview with Lindley on November 6, 2023, Nunes asked what
29 the \$1,537.99 deposit and withdrawal were for that occurred in September 2023. Lindley
30 explained that when a guest makes a reservation through the third-party site VRBO, there are

1 additional fees. Lindley said American Express took the funds out of CTA #6256 in error, and
2 she doesn't know how it happened.

3 1.13 Lindley was unable to provide information for the transfers that occurred in
4 October and November 2020 for the account.

5 **(3) Conclusion of Law:** By failing to identify the transfer of funds from CTA #6256, Lindley
6 violated ORS 696.301(3) and its implementing rule OAR 863-025-0027(9) 1/1/2020 Edition.

7 1.14 During her interview, Lindley said there is a new CTA (CTA #3103) that is
8 reconciled to the bank statement and check register, but not with the owner ledgers. Lindley
9 said she has not entered information on the owner ledgers in years.

10 **(4) Conclusion of Law:** By failing to maintain owners ledgers for CTA #6256, Lindley
11 violated ORS 696.301(3) and its implementing rule OAR 863-025-
12 0055(3)(b)(A)(B)(C)(b)(A)(B)(C)(D)(E)(d) 1/1/2020, 1/1/2021, 1/1/2022, and 1/1/2023 Editions.

13 **(5) Conclusion of Law:** By failing to reconcile CTA #3103, as required, by the three-way
14 reconciliation process using the bank statement, check register, and the owner ledgers,
15 Lindley violated ORS 696.301(3) and its implementing rule OAR 863-025-0028(2)(a)(A)(B)
16 (C)(b)(e) 1/1/2020, 1/1/2021, 1/1/2022, and 1/1/2023 Editions.

17 1.15 Lindley provided Nunes with the December 2023 bank statement for CTA #6256,
18 along with a check register for the period January 1, 2023, through January 1, 2024, and ten
19 owner ledgers that were dated September 2023 that she had reconciled.

20 1.16 A review of the ten owner ledgers shows that as of September 2023 there is
21 \$6,666.75 that was identified as part of the balance of owner funds that have remained in CTA
22 #6256 that have been unaccounted for since 2020.

23 **(6) Conclusion of Law:** By failing to disburse funds owed to owners as identified on their
24 owner ledgers totaling \$6,666.75 maintained in CTA #6256, since 2020, Lindley violated ORS
25 696.301(3) a as it incorporates ORS 696.890(4) (c)(d)(e)(f) 2019, 2020, and 2023 Editions.

26 1.17 All of the above demonstrates incompetence or untrustworthiness in performing
27 acts for which the real estate licensee is required to hold a license.

28 **(7) Conclusion of Law:** Based on the foregoing, Licensee is subject to discipline under
29 ORS 696.301(12) 2019, 2021, and 2023 Editions.

30

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.

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

3.

STIPULATION AND WAIVER

I, Alice Lindley, have read and reviewed this Stipulated Final Order and its Findings of Fact, Statements of Law and Conclusions of Law. I understand that the Findings of Fact, Conclusions of Law and this Stipulation and Waiver of Hearing rights 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. I also understand that any Hearing would be 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. By signing this Stipulated Final Order, 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, which I have also read and understand, may be completed and signed by the Real Estate Commissioner or may be rejected by the Real Estate Commissioner. I further 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.

In addition to all of the above, I agree that once the Commissioner executes this Stipulated Final Order, I will accept service of the Stipulated Final Order by email, and hereby waive the right to challenge the validity of service.

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ORDER

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

IT IS SO STIPULATED:

IT IS SO ORDERED:



DocuSigned by:
Alice Lindley
FCE36A68344C407...
ALICE LINDLEY

DocuSigned by:
Steve Strode
E2C2D0097AD8471...
STEVEN STRODE

Date 6/7/2024 | 10:15 AM PDT

Date 6/10/2024 | 10:03 AM PDT

Date of Service: 6/10/2024

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of)
GREGORY STEWART LLOYD) STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Lloyd was licensed as a principal broker with Porter Brauen Real Estate Services, Inc (Porter Brauen).

1.2 A prior investigation was conducted by the Agency in 2012, stemming from notification the Agency received from Lloyd with information that clients' trust account funds had been embezzled by Porter Brauen's CFO.

1.3 During the course of the prior investigation, Lloyd informed the Agency Investigator the clients' trust account ending in 7993 (CTA #7993) and clients' trust account security deposit ending in 8009 (CTA-SD #8009) both had shortages.

1.4 In November 2014, Lloyd sent a letter to the Agency claiming he would be closing existing CTAs, writing "New client trust accounts that do not have fees pulled from the account and are exempt from garnishment have been established at Key Bank [sic]."

1.5 Lloyd provided the Agency with a letter from KeyBank confirming two new accounts had been established. The two new accounts were clients' trust account ending in 2549 (CTA #2549) and clients' trust account-security deposit ending in 2564 (CTA-SD #2564).

1 1.6 On June 16, 2023, Lloyd was notified that CTA-SD 8009 had been selected for
2 review. Documents for April 2023 were requested and received. An investigation was opened
3 due to the outstanding issues found in the review.

4 1.7 On August 15, 2023, Agency staff emailed Lloyd with instructions on how to
5 close clients' trust accounts with the Agency, as well as a request to provide documentation
6 from the bank that the accounts had been closed.

7 1.8 On September 22, 2023, Lloyd emailed the Agency providing a letter from Chase
8 Bank stating that CTA-SD #8009 and clients' trust account ending in 7985 (CTA #7985) were
9 closed.

10 1.9 CTA #7985 was closed on July 6, 2018, and CTA-SD #8009 was closed on
11 September 15, 2023.

12 1.10 On March 28, 2024, Lloyd emailed the Agency referring to a previous Agency
13 request for documentation showing that CTA #7993 had been closed. Lloyd wrote "I am still
14 waiting for the Chase documentation..."

15 **(1) Conclusion of Law:** By failing to notify the Agency within 10 business days of closing
16 clients' trust accounts, Lloyd violated ORS 696.301(3) and its implementing rule OAR 863-025-
17 0025(4) 1/1/2018 through 1/1/2023 Editions. In addition, Lloyd violated ORS 696.301(3) as it
18 incorporates ORS 696.245(3) 2023 Edition.

19 1.11 A review of the April 2023 bank statement, provided by Lloyd, showed CTA-SD
20 #8009 had a beginning and ending balance of \$0.00. The title of the CTA-SD #8009 on the
21 bank statement is shown as "Porter Brauen Real Estate Service INC Porter Brauen Property
22 Management."

23 1.12 Lloyd was not able to provide the Agency bank statements showing CTA-SD
24 #2564 had been corrected to show the clients' trust account designation.

25 **(2) Conclusion of Law:** By failing to maintain the required account identification labels on
26 CTA-SD #8009 and CTA-SD #2564, including the designation of the accounts as clients' trust
27 account – security deposit account, Lloyd violated ORS 696.301(3) and its implementing rule
28 OAR 863-025-0025(1)(b) 1/1/2023 Edition.

29 ///

30 ///

1 1.13 Agency Investigator Cidia Nañez (Nañez) reviewed security deposit lists for
2 March, June, and September 2022, showing changes in tenant occupancy that were not
3 reflected in the CTA-SD #2564 bank statements.

4 1.14 The June 2022 security deposit list for Property 2719-41, shows a \$2,200.00
5 security deposit held.

6 1.15 The June 2022 bank statement for CTA-SD 2564 does not reflect an increase of
7 \$2,200.00 in the ending balance.

8 1.16 On April 8, 2024, Lloyd provided Nañez the bank statement for CTA #2549,
9 which showed a \$2,200.00 deposit on May 18, 2022.

10 **(3) Conclusion of Law:** By failing to deposit a \$2,200.00 security deposit into CTA-SD
11 #2564, Lloyd violated ORS 696.301(3) and its implementing rule OAR 863-025-0030(2)
12 1/1/2022 Edition. In addition, Lloyd violated ORS 696.301(3) and its implementing rule OAR
13 863-025-0025(5(a)(7) 1/1/2022 Edition.

14 1.17 In the April 8, 2024, email sent by Lloyd, he provided the tenant ledger which
15 documented an incoming security deposit of \$1,600.00 for the property identified as 9334N#5.

16 1.18 The November 2022 bank statement for CTA-SD #2564 does not reflect an
17 increase of \$1,600.00 in the ending balance.

18 1.19 The November 2022 bank statement for CTA #2549 shows a security deposit of
19 \$1,600.00 which was deposited on November 25, 2022.

20 **(4) Conclusion of Law:** By failing to deposit a \$1,600.00 security deposit into CTA-SD
21 #2564, Lloyd violated ORS 696.301(3) and its implementing rule OAR 863-025-0030(2)
22 1/1/2022 Edition.

23 1.20 In a review of the June 2022 security deposit list, the property identified as 2703-
24 41 shows a \$1,875.00 security deposit being held.

25 1.21 In an interview with Lloyd on February 27, 2024, Lloyd explained that if a CTA
26 account was short, and there were not funds in the business account, that the funds would
27 come from his personal account.

28 1.22 On April 3, 2024, Nañez requested that Lloyd provide the tenant ledger for
29 property 2703-41, showing the final accounting and record of payment to the tenant.
30

1 1.23 On April 8, 2024, Lloyd provided the tenant ledger for property 2703-41, as well
2 as the September 2022 bank statement for CTA #2549, and final accounting. Lloyd explained
3 the refund due to the tenant was the combination of the \$1,875.00 security deposit, along with
4 \$3,055.00 in overpayment of rent and utilities.

5 1.24 A review of the September 2022 bank statement for CTA #2549 showed an
6 outgoing transfer of \$4,930.00 on September 13, 2022, to the tenant.

7 **(5) Conclusion of Law:** By failing to deposit and maintain a \$4,930.00 security deposit in a
8 clients' trust account – security deposit, Lloyd violated ORS 696.301(3) and its implementing
9 rule OAR 863-025-0030(1)(c) 1/1/2022 Edition.

10 1.25 Lloyd provided Nañez the tenant ledger for the property identified as 3229SE
11 showing the final accounting of tenants' deposits, along with the August 2022 bank statement
12 for CTA #2549, showing the record of payment to the tenants.

13 **(6) Conclusion of Law:** By failing to maintain the security deposit for Property 3229SE in a
14 clients' trust account – security deposit, Lloyd violated ORS 696.301(3) and its implementing
15 rule OAR 863-025-0030(1)(c) 11/15/2016 through 1/1/2023 Editions. In addition, Lloyd
16 violated ORS 696.301(3) and its implementing rule OAR 863-025-0025(5)(6)(a) 11/15/2016
17 Edition, and later editions OAR 863-025-0025(5)(a)(7) 1/1/2018 through 1/1/2023 Edition.

18 1.26 On December 22, 2023, Lloyd emailed Nañez, and wrote that "Security Deposits
19 Refunds have not been used to pay owner proceeds and owner proceeds have not been used
20 to pay Security Deposit Refunds." Lloyd continued, "The Security Deposit Refunds are drawn
21 from (sic) the Security Deposit Client Trust Account when tenants move out or paid toward
22 damage repairs if needed. For any Security Deposit Client Trust Account shortages, our office
23 pays funds directly (sic) from our operating account."

24 **(7) Conclusion of Law:** Lloyd notified the Agency that any security deposit refunds were
25 drawn from the clients' trust account – security deposit. A review of Lloyd's property
26 management records show security deposit funds were deposited and disbursed from CTA
27 #2549. This is Grounds for Discipline under ORS 696.301(12)(15) 2023 Edition.

28 1.27 All of the above demonstrates incompetence or untrustworthiness in performing
29 acts for which the real estate licensee is required to hold a license.

30

1 **(8) Conclusion of Law:** Based on the foregoing, Licensee is subject to discipline under
2 ORS 696.301(12) 2015, through 2023 Editions)

3
4 2.

5 2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.

6 2.2 The Agency reserves the right to investigate and pursue additional complaints
7 that may be received in the future regarding this licensee.

8 2.3 In establishing the violations alleged above, the Agency may rely on one or more
9 of the definitions contained in ORS 696.010.

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13 3.

14 STIPULATION AND WAIVER

15 I, Gregory Lloyd, have read and reviewed this Stipulated Final Order and its Findings of
16 Fact, Statements of Law and Conclusions of Law. I understand that the Findings of Fact,
17 Conclusions of Law and this Stipulation and Waiver of Hearing rights embody the full and
18 complete agreement and stipulation between the Agency and me. I further understand that if I
19 do not agree with this stipulation, I have the right to request a Hearing on this matter and to be
20 represented by legal counsel at such a Hearing. I also understand that any Hearing would be
21 conducted in accordance with the procedures set forth in ORS Chapter 183 and in accordance
22 with the Rules of Practice and Procedure adopted by the Attorney General of the State of
23 Oregon. By signing this Stipulated Final Order, I freely and voluntarily waive my rights to a
24 Hearing, to representation by legal counsel at such a Hearing, and to judicial review of this
25 matter.

26 I hereby agree and stipulate to the above Findings of Fact and Conclusions of Law and
27 understand that the Order which follows hereafter, which I have also read and understand,
28 may be completed and signed by the Real Estate Commissioner or may be rejected by the
29 Real Estate Commissioner. I further understand that, in accordance with the provisions of ORS
30 696.445(3), notice of this Order shall be published in the Oregon Real Estate News Journal.

1 In addition to all of the above, I agree that once the Commissioner executes this
2 Stipulated Final Order, I will accept service of the Stipulated Final Order by email, and hereby
3 waive the right to challenge the validity of service.

4 ORDER

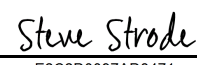
5 IT IS HEREBY ORDERED that Gregory Lloyd's principal broker license be, and hereby
6 is reprimanded.

7 IT IS FURTHER ORDERED that due to the violations addressed above Gregory Lloyd
8 will be subject to a future clients' trust account reconciliation review within 6 months of the
9 issuance of this order.

10
11 IT IS SO STIPULATED:

IT IS SO ORDERED:

12
13 DocuSigned by:
14  REALTOR
15 6DF08F7B562347D...
16 GREGORY LLOYD

13 DocuSigned by:
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15 E2C2D0097AD8471...
16 STEVEN STRODE



17 Date 6/21/2024 | 10:44 AM PDT

17 Date 6/21/2024 | 11:48 AM PDT

18
19 Date of Service: 6/21/2024

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Unlicensed Professional
Real Estate Activity of

RODNEY LYNN MANSON

ORDER TO CEASE AND DESIST

Pursuant to ORS 696.007 to ORS 696.995 and OAR Chapter 863, the Oregon Real Estate Agency (Agency) is the state agency responsible for licensing, disciplining and regulating professional real estate activity in Oregon. Rodney Manson (Manson) is not licensed by the Agency to engage in professional real estate activity in Oregon.

Agency Action.

1.

Manson is hereby ordered to cease and desist, effective the date the order is issued, from engaging in any professional real estate activity as defined in ORS 696.010(14)(a),(b),(c),(i),(j),and (k) and ORS 696.010(17)(a) to (n) unless Manson first obtains a real estate license from the Real Estate Agency. The Commissioner’s authority for this order is under ORS 696.397. The Agency’s order to cease and desist is based upon Manson’s violations of ORS 696.020(2). ORS 696.020(2) 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 as provided for in this chapter.

The order to cease and desist is based upon the underlying investigation facts, and the application of the facts to the above cited laws. The Agency alleges that the acts and conduct of Manson, described below, constitute violations of Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OARs) as set forth above and as further follows below:

Facts and Violation Citations:

1.1 At all times mentioned herein, Manson was not licensed to conduct professional real estate activity in Oregon.

1.2 On November 3, 2023, the Agency received a complaint against Manson, from Julio Lara (Lara), Transaction Coordinator with PNW Land LLC (PNW) and Molecular Inc (Molecular). Lara claimed that PNW and Molecular purchased property located at 295 19th St. SE, Salem, OR 97301 (19th Street). As part of the complaint, Lara alleged that Manson has been disputing the legality of the purchase and has insisted that he has ownership of the tenants' leases and is collecting monthly rent. The Agency opened an investigation.

1.3 A review of Marion County property records shows that on September 21, 2021, the property owner granted the 19th Street property to Saol Viteoiriach and Oidreach De Eadron Agus Gra Ministry (Ministries).

1.4 As part of their complaint, Lara provided the Agency with the Trustee's Deed, which indicated that 19th Street was purchased at a public auction by PNW and Molecular on July 26, 2023.

1.5 Marion County property records show the 19th Street purchase transaction by PNW and Molecular was recorded on August 24, 2023.

1.6 On December 11, 2023, Manson emailed the Agency providing his 2023 Business Entity filings for MR Homes for both Nevada and Oregon. The filings showed MR Homes has an active status in both states.

1.7 The MR Homes website proclaims, "We specialize in the management of Trust and Ministry properties throughout Oregon & Washington area." Additionally, the website states that MR Homes performs the following services:

- Clean & Green Landscape Maintenance
- Repair & Maintenance
- Unique Lease/Tenant Relationships
- Church/Ministry Owned Properties

1.8 In his response to the Agency regarding the complaint, Manson wrote, "I Rodney Manson accepted the responsibility of Trustee in April 2022." Manson further wrote, "The property has tenants/occupants and as Trustee I ensured that they all had appropriate documentation and leases executed."

1.9 A review of nine tenant lease agreements shows monthly rent charges of \$825.00.

1.10 The company name on the lease agreements is MR Homes.

1.11 In his response to the Agency regarding the complaint, Manson wrote that part of his financial management tasks is “collecting rent or other income for estate properties.”

Violation: By executing tenant lease agreements and collecting rent, Manson engaged in unlicensed professional real estate activity as defined in ORS 696.010(14)(a),(b), (c),(i),(j),and (k) (2023 Edition) and ORS 696.010(17)(a),(b),(c),(i),(j), and (k) (2023 Edition), in violation of ORS 696.020(2) (2023 Edition). ORS 696.020(2) 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 as provided in this chapter.

Relevant Statutes and Rules:

2.

2.1 Relevant statutes and rules listed in the “Agency Proposed Action” and “Facts and Proposed Violations Citations” sections set forth above.

2.2 As discussed in the Agency Action section of this Order to Cease and Desist, ORS 696.020(2) 2023 Edition) 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 as provided for in this chapter.

2.3 ORS 696.010(14)(a),(b),(c),(i),(j),and (k) (2023 Edition) and ORS 696.010(17)(a),(b),(c),(i),(j),and (k) (2023 Edition) defines “Professional real estate activity” as: any of the following actions, when engaged in for another and for compensation or with the intention or in the expectation or upon the promise of receiving or collecting compensation, by any person who: (a) sells, exchanges, purchases, rents or leases real estate; (b) offers to sell exchange, purchase, rent or lease real estate; (c) negotiates, offers, attempts or agrees to negotiate the sale, exchange, purchase, rental or leasing of real estate.; (i) purports to be engaged in the

business of buying, selling, exchanging, renting or leasing real estate; (j) assists or directs in the procuring of prospects, calculated to result in the sale, exchange, leasing or rental of real estate; (k) assists or directs in the negotiation or closing of any transaction calculated or intended to result in the sale, exchange, leasing or rental of real estate.

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

2.5 ORS 696.397 states if the Agency has reason to believe that a person has engaged, is engaging or is about to engage in a violation of ORS 696.020(2) the Agency may, issue an order directing a person to cease and desist from the violation or threatened violation.

2.6 ORS 696.040 states one act or transaction of professional real estate activity is sufficient to constitute engaging in professional real estate activity, within the meaning of this chapter.

Agency's Ultimate Facts:

3.

3.1 Manson engaged in unlicensed professional real estate activity.

3.2 Manson's actions constitute grounds for the Agency to impose an order to cease and desist from engaging in any professional real estate activity under ORS 696.397. The order to cease and desist is effective on the date the order is issued.

4.

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

NOTICE OF RIGHT TO REQUEST A HEARING:

5.

You (Respondent) are entitled to a contested case hearing, if you hereafter make a timely request for such a hearing. ORS Chapter 183.

6.

In the event that you do desire a contested case hearing, you must so notify the Commissioner, in writing (mailed letter, facsimile or email), within 20 days from the date of the mailing of this Order to Cease and Desist. Any documents submitted to the Agency prior to the mailing date of this Agency Order to Cease and Desist to you are not, and will not, be considered requests for hearing. The written request for hearing must be delivered or mailed to the Agency's office located at:

Oregon Real Estate Agency
Attn: Amanda Moser
530 Center St NE, Suite 100
Salem OR 97301
Email: orea.resolution@rea.oregon.gov
Facsimile: 503-378-2491

7.

If your written request for hearing is not received by the Agency within 30 days from the mailing date of this Order to Cease and Desist, your right to a hearing shall be considered waived.

8.

If you timely request a hearing, you will be notified of the time and place of the hearing. At the hearing, you may be represented by an attorney unless the Respondent is a corporation, partnership, limited liability company, unincorporated association, trust or government body, which must be represented by an attorney. If you are represented by an attorney, all costs and fees of that representation must be paid by you and are your responsibility. Legal aid organizations may be able to assist you if you have limited financial resources. At a hearing the Agency will be represented by an attorney from the Oregon Department of Justice.

9.

The hearing will be conducted by an Administrative Law Judge from the Office of Administrative Hearings. ORS 183.635

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

10.

NOTICE TO ACTIVE DUTY SERVICEMEMBERS

Active duty Servicemembers have a right to stay these proceedings under the federal Servicemembers Civil Relief Act. For more information contact the Oregon State Bar at 800-452-8260, the Oregon Military Department at 503-584-3571 or the nearest United States Armed Forces Legal Assistance Office through <http://legalassistance.law.af.mil>. The Oregon Military Department does not have a toll free telephone number.

Dated this 6th day of June, 2024.

OREGON REAL ESTATE AGENCY

DocuSigned by:
Steve Strode
E2C2D0097AD8471...



Steven Strode
Real Estate Commissioner

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of
ALFREDO L. URENA)
STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Urena was licensed as a real estate broker with John L. Scott-Slm.

1.2 On January 25, 2023, the Agency received a complaint from Hilda Porras (Porras) against Urena. The Agency opened an investigation.

1.3 Porras stated in the complaint that Urena wrote a sales agreement for Porras to purchase a property in Salem, OR (Property).

1.4 On October 2, 2021, Porras signed a sales agreement to purchase the Property for \$415,000.00 with \$1,000.00 earnest money and \$99,000.00 down payment. Urena is listed as the broker representing both the buyer and the seller. According to Urena, there were problems with the first transaction, and too many changes. He told the Agency he did not terminate the transaction, but that the contract expired.

1.5 On January 12, 2022, Porras signed a new sales agreement to purchase the Property for \$365,000.00 with \$1,000.00 earnest money and \$49,000.00 down payment. Urena is listed as the broker representing both buyer and seller.

1 1.6 Line 40 on the sales agreement states that \$1,000.00 earnest money is herein
2 received for.

3 1.7 Lines 307-310 on the sales agreement state that the \$1,000.00 earnest money
4 will be deposited into escrow within three days.

5 1.8 Line 318 on the sales agreement states the deposit shall be placed with Escrow
6 or Buyer's Agent's Firm's Client Trust account no later than 5:00 pm on the last day of the
7 Deposit Deadline.

8 1.9 In an interview with Agency Investigator Dylan Ray (Ray), Urena confirmed that
9 he accepted an envelope that contained the \$1,000.00 earnest money and \$49,000.00 down
10 payment in cash and delivered it directly to the sellers.

11 1.10 In an interview with Ray, Urena stated that he did not count the money, but that it
12 was counted by Porras at the table near him, and he was told the envelope contained
13 \$50,000.00.

14 1.11 Following the settlement conference with the Agency, the Agency received an
15 email on August 14, 2023, containing a signed statement dated August 10, 2023. In the
16 statement, the sellers stated that "...on October 26, 2021, received from Alfredo Urena an
17 envelope containing \$50,000. sent by Porras." Urena provided the \$50,000.00 to the sellers
18 seven days after it was given to him from Porras.

19 1.12 In an email from Urena, he stated that he did not produce a receipt or any
20 documentation to acknowledge the deposit to the sellers.

21 **(1) Conclusion of Law:** By failing to deposit the \$1,000.00 earnest money directly with
22 escrow, and instead delivering it directly to the sellers, Urena violated ORS 696.301(3) as it
23 incorporates ORS 815(2)(a)(b), and ORS 696.815(5)(b) (2021 Edition).

24 **(2) Conclusion of Law:** By not providing a receipt or written documentation acknowledging
25 the \$49,000.00 down payment between buyer and seller, Urena violated ORS 696.301(3) and
26 its implementing rule OAR 863-015-0250(1)(d) (1/1/2023 Edition).

27 1.13 In the Disclosed Limited Agency Agreement for Buyers, and the Disclosed
28 Limited Agency Agreement for Sellers, provided to the Agency and exhibited in the Agency's
29 investigative report, both forms were incomplete.

1 1.14 Line 18 of Disclosed Limited Agency Agreement for Buyers requires that buyer
2 acknowledge that they had received the Oregon Real Estate Agency's Initial Agency
3 Disclosure Pamphlet and have discussed with the Agent the "Duties and Responsibilities of an
4 Agent Who Represents More than One Client in a Transaction." Urena did not have the buyer
5 complete this section.

6 1.15 Lines 19-24 require that the buyer consents to whether an Agent may or may not
7 1) represent the seller in any transaction involving the Buyer; and 2) represent other buyers in
8 making an offer on the same property as Buyer. Urena did not have the buyer complete this
9 section.

10 1.16 Line 18 of Disclosed Limited Agency Agreement for Seller requires that seller
11 acknowledge that they had received the Oregon Real Estate Agency's Initial Agency
12 Disclosure Pamphlet and have discussed with the Agent the "Duties and Responsibilities of an
13 Agent Who Represents More than One Client in a Transaction." Urena did not have the sellers
14 complete this section.

15 1.17 Lines 21-22 require that the seller consents to whether an Agent may or may not
16 1) represent one or more buyers in a transaction involving the listed property. Urena did not
17 have the sellers complete this section.

18 **(3) Conclusion of Law:** By failing to obtain express written permission from both the buyer
19 and sellers on the Disclosed Limited Agency Agreements, Urena violated ORS 696.301(3) as it
20 incorporates ORS 696.870(3)(c) (2021 Edition) and ORS 696.815(2)(c) (2021 Edition).

21 1.18 All of the above demonstrates incompetence or untrustworthiness in performing
22 acts for which the real estate licensee is required to hold a license and conduct that is below
23 the standard of care for the practice of professional real estate activity in Oregon.

24 **(4) Conclusion of Law:** Based on the foregoing, Licensee is subject to discipline under
25 ORS 696.301(12) and (15) (2021 Edition).

26

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2.

28 2.1 The foregoing violations are grounds for discipline pursuant to ORS 696.301.

29 2.2 The Agency reserves the right to investigate and pursue additional complaints
30 that may be received in the future regarding this licensee.


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ORDER

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

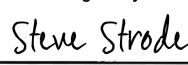
IT IS SO STIPULATED:

IT IS SO ORDERED:



ALFREDO L. URENA

Date 06-11-2024

DocuSigned by:


STEVEN STRODE

Real Estate Commissioner

Date 6/17/2024 | 4:42 PM PDT



Date of Service: 6/17/2024

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of)
JEFFREY PAUL WRIGHT) STIPULATED FINAL ORDER

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

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Wright was licensed as a principal broker with PMI Portland Metro (PMI). Wright’s principal broker license went inactive on May 18, 2024. The Agency has previously issued Wright three Educational Letters of Advice in 2022 and 2023, educating Wright on final accounting requirements, duties to the owner, and disbursement of funds.

1.2 On December 13, 2023, the Agency received a complaint from Hyun Ro (Ro) against Wright. The Agency opened an investigation.

1.3 Ro was a tenant at a rental real estate managed by Wright and PMI located in Hillsboro, Oregon (subject property). In her complaint, Ro wrote that she moved out of the subject property on September 20, 2023, and Wright had not returned her security deposit.

1.4 Ro provided the Agency email communication she had with Wright regarding the return of her security deposit, between October 26, 2023, and December 12, 2023.

1.5 On November 28, 2023, in an email from Wright to Ro, Wright wrote “We sent your deposit return check to [address]. We have cancelled that check and send you a new one to your current [sic] address.”

1 1.6 On December 1, 2023, Wright asked Ro if she preferred to have the funds sent
2 to her via an ACH wire transfer.

3 1.7 On December 12, 2023, Wright wrote in an email to Ro that the security deposit
4 return had been initiated the prior week and should be in her bank account. That same day, Ro
5 responded to Wright informing him that no money had been received.

6 1.8 On February 2, 2024, Brandy Wright (B. Wright) responded to the complaint via
7 an email to the Agency. B. Wright wrote that when Ro did not receive the check they mailed to
8 her last known address, PMI “immediately communicated our willingness to do a direct deposit
9 via ACH.”

10 1.9 A review of the ACH Payment report shows a payment to Ro of \$1,900,00,
11 processed on December 12, 2023.

12 1.10 On February 6, 2024, Ro emailed the Agency and confirmed that she had
13 received an ACH payment for the full amount of her security deposit from PMI on February 5,
14 2024.

15 **(1) Conclusion of Law:** By failing to refund Ro’s security deposit within 30-days of move-
16 out, Wright violated ORS 696.301(3) and its implementing rule OAR 863-025-0030(1)(c)
17 1/1/2023 Edition.

18 1.11 A review of Oregon’s Secretary of State records shows that PMI was originally
19 registered with the state on December 13, 2018. That registration became inactive on
20 February 23, 2023. A new registration was filed with the state on October 13, 2023.

21 **(2) Conclusion of Law:** By failing to maintain an active registered business name with the
22 Oregon Secretary of State, between February 23, 2023, and October 13, 2023, Wright violated
23 ORS 696.301(3) as it incorporates ORS 696.026(2)(b)(A) 2023 Edition. In addition, this act
24 violates ORS 696.301(3) and its implementing rule OAR 863-014-0095(1) 1/1/2023 Edition.

25 1.12 All of the above demonstrates incompetence or untrustworthiness in performing
26 acts for which the real estate licensee is required to hold a license.

27 **(3) Conclusion of Law:** Based on the foregoing, Licensee is subject to discipline under
28 ORS 696.301(12) 2023 Edition.

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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.

2.3 OAR 863-027-0020(1) defines the goal of progressive discipline and OAR 863-027-0020(2) sets out all factors the Real Estate Commissioner will consider when determining the level of discipline for licensees.

2.4 In accordance with ORS 696.775, the lapsing, expiration, revocation or suspension of a real estate license, whether by operation of law, order of the Real Estate Commissioner or decision of a court of law, or the inactive status of the license, or voluntary surrender of the license by the real estate licensee does not deprive the commissioner of jurisdiction to: (1) proceed with an investigation of the licensee; (2) conduct disciplinary proceedings relating to the licensee; (3) take action against a licensee, including assessment of a civil penalty against the licensee for a violation of ORS 696.020(2); or (4) revise or render null and void an order suspending or revoking a license.

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

3.

STIPULATION AND WAIVER

I, Jeffrey Wright, have read and reviewed this Stipulated Final Order and its Findings of Fact, Statements of Law and Conclusions of Law. I understand that the Findings of Fact, Conclusions of Law and this Stipulation and Waiver of Hearing rights 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. I also understand that any Hearing would be 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. By signing this Stipulated Final Order, I freely and voluntarily waive my rights to a

1 Hearing, to representation by legal counsel at such a Hearing, and to judicial review of this
2 matter.

3 I hereby agree and stipulate to the above Findings of Fact and Conclusions of Law and
4 understand that the Order which follows hereafter, which I have also read and understand,
5 may be completed and signed by the Real Estate Commissioner or may be rejected by the
6 Real Estate Commissioner. I further understand that, in accordance with the provisions of
7 ORS 696.445(3), notice of this Order shall be published in the Oregon Real Estate News
8 Journal.

9 In addition to all of the above, I agree that once the Commissioner executes this
10 Stipulated Final Order, I will accept service of the Stipulated Final Order by email, and hereby
11 waive the right to challenge the validity of service.

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15 ORDER

16 IT IS HEREBY ORDERED that Jeffrey Wright's principal broker license be, and hereby
17 is reprimanded.

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20 IT IS SO STIPULATED:

IT IS SO ORDERED:



21
22 DocuSigned by:

23 *[Signature]*

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24 JEFFREY PAUL WRIGHT

DocuSigned by:

25 *Steve Strode*

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26 STEVEN STRODE

Real Estate Commissioner

27 Date 6/7/2024 | 1:05 PM PDT

28 Date 6/11/2024 | 7:10 AM PDT

29 Date of Service: 6/11/2024

**REAL ESTATE BOARD
REGULATION DIVISION REPORT
August 5th, 2024**

Regulation Division Manager: Elli Kataura

Compliance Specialist 3s (Senior Case Analysts): Meghan Lewis

Financial Investigators (Investigator-Auditors): Lindsey Nunes, Cidia Nañez, John Moore, Frank Leonard,
Dylan Ray, Megan Donovan, Amanda Moser.

Administrative Specialist 2 (Case Resolution Coordinator): Jack Brady

Division Overview

The Agency receives complaints and determines if an investigation is appropriate. Open cases are assigned to investigators to gather facts (from interviews and documents), prepare a detailed written report, and submit for Administrative Review. The Senior Case Analysts conducting the Administrative Review work evaluate whether the evidence supports a violation of Agency statutes or administrative rules. When a case finds sufficient cause to sanction a license, the case is elevated to the Commissioner for review. When the Commissioner supports a sanction, the Senior Case Analysts offer a settlement conference to resolve cases without a contested case hearing. If the respondent requests a hearing, the Investigator works with the Assistant Attorney General in preparing for and presenting the case at hearing.

Personnel

We recently hired Megan Donovan as a Financial Investigator and Amanda Moser started a Job Rotation as a Financial Investigator.

Workload and Activity Indicators

<u>Average # in this status at the time</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Current 7/17/24</u>
Complaint	13	28	13	16	12
Investigation	92	47	28	41	67
<i>(# of Investigators)</i>	7	7	6*	6*	7
Admin Review	11	15	2	2	6
Settlement Process	11	9	2	4	8

* We had an investigator that was on extended leave for the majority of 2022-2023.

**REAL ESTATE BOARD
COMPLIANCE DIVISION REPORT
August 5, 2024**

Compliance Division Manager: Liz Hayes
Compliance Specialist 2: Jen Wetherbee
Compliance Specialist 1: Rick Marsland, Helen Wilson, Vacant
Senior Auditor (Escrow): Roger McComas

Division Overview

The Compliance Division ensures that licensees meet their fiduciary and administrative responsibilities by reviewing financial and administrative records. This division aims to conduct clients’ trust account and compliance reviews and develop other compliance-related programs. This work includes providing technical assistance and sharing knowledge on the interpretation and application of laws and rules administered by the Agency (excluding legal advice) to licensees, the public, and other governmental agencies.

Personnel

Roger McComas has been reassigned from a Compliance Specialist to the Senior Auditor position in a work out of class through the end of the biennium. We now have a vacant Compliance Specialist position.

Workload and Activity Indicators

As of 07/24/2024	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
ELOA	3	2	2	4	44	79	81	13	55	101	80
No Violation	351	356	192	172	375	216	87	10	98	94	45
Open Investigation	14	5	3	8	10	29	7	2	13	20	17
Resolved									72	182	135
Total Closed	368	363	197	184	429	324	175	25	238	397	277

<i>(# of Staff)</i>	3	4	4	5	6	6	1	1-2	2-4	4	3-4
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As of 07/24/2024	January	February	March	April	May	June	July
ELOA	10	10	12	21	11	11	5
No Violation	7	11	3	4	10	9	1
Investigation	3	1	2	4	5	2	
Resolved	24	24	13	26	20	22	6
Total Closed	44	46	30	55	46	44	12

<i>(# of Staff)</i>	4	4	4	4	4	4	3
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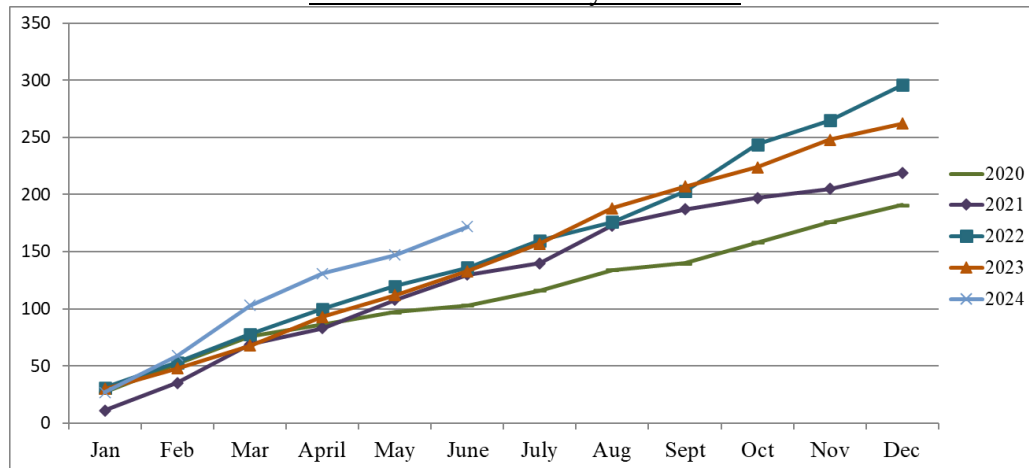
**Report to the Real Estate Board
Land Development Division
August 5th, 2024**

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



The division has had 172 filings through the end of June of this year, which is 39 more than we saw through the end of June last year (133). The above chart contrasts filing volume for the current year with the previous four years. The last year we had filing volume exceeding the current pace was 2019 (204).

Rulemaking:

New rulemaking related to wholesaler registrations remains in process.

Legislative Activity:

None at this time.

**REAL ESTATE BOARD
ADMINISTRATIVE SERVICES DIVISION REPORT
August 5, 2024**

Administrative Services Manager: Mesheal Tracy

Accountant: Caty Karayel

Systems Administrator: Tiffani Miller

Program Analyst: Rus Putintsev

IT Helpdesk: Denise Lewis

Section Overview

The Administrative Services Division serves as the foundation of the Agency's operations by providing comprehensive support in the following areas. accounting, purchasing and contracting, inventory control, facilities, payroll, human resources, special projects, information technology (IT), performance, and communications.

Budget Update

As of May, projected revenue for the 2023-2025 biennium is **\$10.2 million**. Projected expenses are **\$12.6 million**, reflecting the \$2 million eLicense replacement project. The anticipated ending cash balance of **\$4.3 million** represents approximately eight months of operating expenses.

Revenue/Economic Outlook

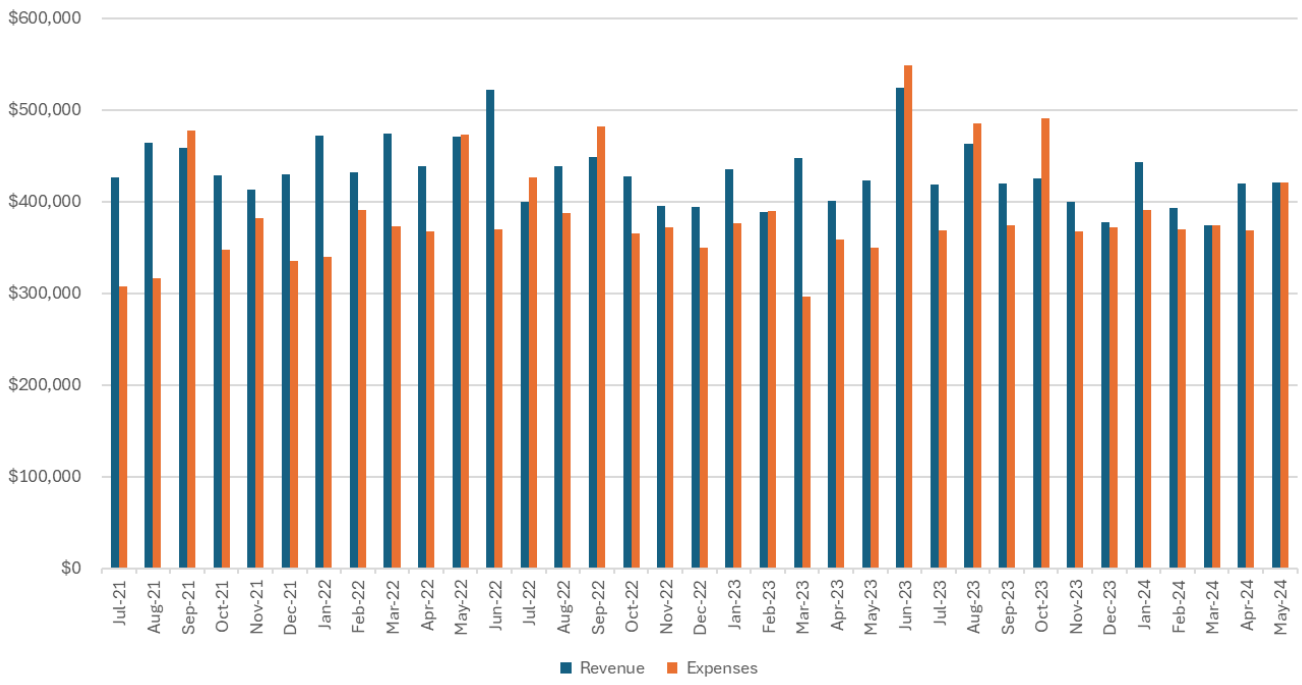
As of January, the average monthly surplus was **\$15,500** for the biennium.

The total number of licensees continues a gradual decline, with **24,520** reported at the beginning of June. This is a 2.2% decrease from July 2023, the beginning of the biennium.

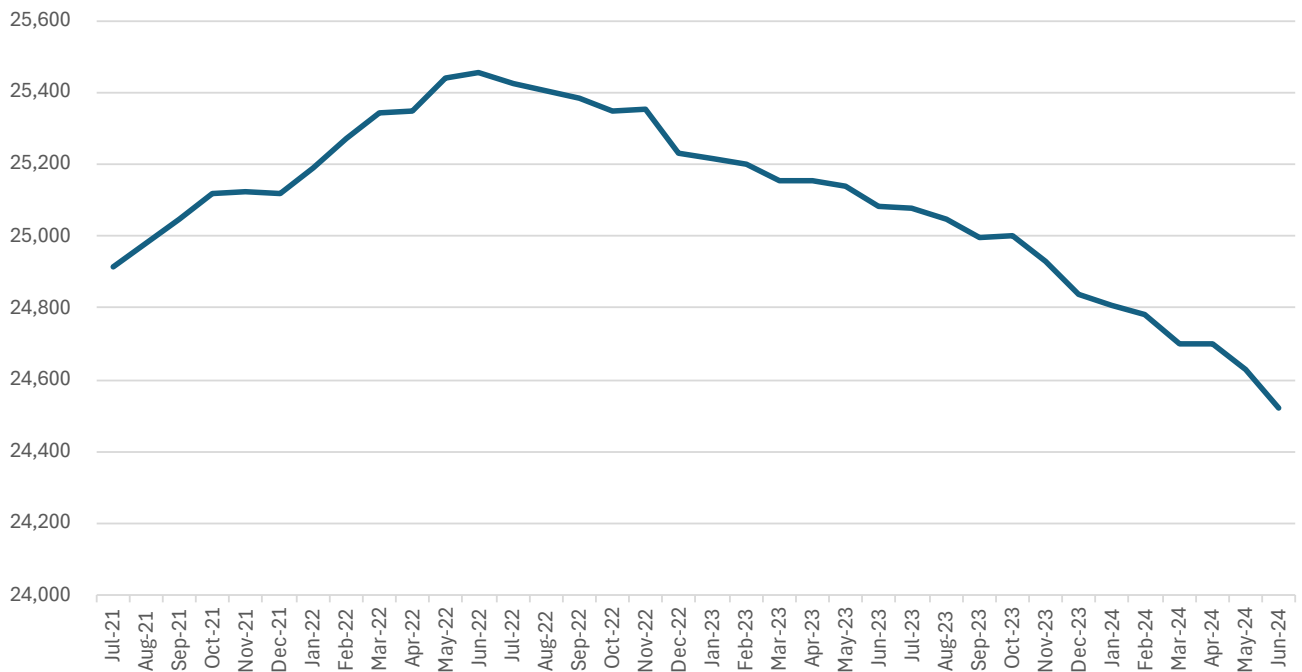
Division News

- Led by Tiffani Miller, our Systems Administrator, the division completed a legacy email infrastructure decommissioning project directed by the Department of Administrative Services.
- Tiffani is also the agency's lead on our cybersecurity assessment that began July 17.
- We are working on a communication plan to address the implementation of the legislation passed in this year's session. This should be completed by September.

Revenue and Expenses



Number of Individual Licensees



Real Estate Agency - AY25
2023-2025 Budget - Biennium to Date
Through June 30th 2025

Budget Codes		<u>23-2025 LAB</u>	<u>Expected Total Expenditures for Biennium (current)</u>	<u>Expected Remaining Limitation at end of Biennium</u>
	Total Personal Services	8,696,131	8,789,078	(92,947)
4100 & 4125	In-State Travel & Out-of-State Travel	107,334	60,219	47,115
4150	Employee Training	40,206	37,174	3,032
4175	Office Expenses	58,989	10,942	48,047
4200	Telecom/Tech Services & Support	70,231	74,181	(3,950)
4225	State Government Services	646,658	528,876	117,782
4250	Data Processing	118,785	76,119	42,666
4275	Publicity & Publications	39,905	779	39,126
4300 & 4315	Professional Services & IT Professional Services	378,671	309,233	69,438
4325	Attorney General Legal Fees	365,688	239,195	126,493
4375	Employee Recruitment	8,420	0	8,420
4400	Dues & Subscriptions	10,406	8,999	1,407
4425	Facilities Rent & Taxes	276,712	264,986	11,726
4475	Facilities Maintenance	4,911	21,115	(16,204)
4575	Agency Program Related S&S	982,084	1,015,189	(33,105)
4650	Other Services & Supplies	4,269	184,817	(180,548)
4700	Expendable Property \$250-\$5000	31,678	3,297	28,381
4715	IT Expendable Property	155,803	62,297	93,506
	Total Services & Supplies	3,300,750	2,897,417	403,333
5550	Data Processing Software	2,000,000	2,000,000	0
	Total Capital Outlay	2,000,000	2,000,000	0
	Totals	13,996,881	13,686,494	310,387

**REAL ESTATE BOARD
EDUCATION & LICENSING DIVISION REPORT
August 5, 2024**

Licensing Manager: Nenah Darville
Compliance Specialist: Tami Schemmel, Katie Nash
Administrative Specialist: Elizabeth Hardwick, Kaely Salem, Cory King
Receptionist: Kelsey Frazier

Division Overview

The Licensing Division acts as the first point of contact for the public. This division manages reception, public inquiry, licensing services, and complaint intake.

Personnel

Nenah Darville has been appointed to the management position. Nenah has been with the Agency since January of 2017 and has served in several roles with progressive responsibility within the division. Most recently Nenah acted as the team lead and is among the most senior on the team.

Licensing

In June, the Agency received 1,338 telephone calls with an average wait time of 29 seconds.

Background & Complaint Processing

For the month of June, the Agency processed 10 background investigations for license applicants within 22 calendar days on average and received 30 complaints which we reviewed within 13 calendar days on average.

Customer Service Performance Ratings

Percent of customers that rate their customer service experience with the Agency as “good” or “excellent”.

#5 - Customer Service (Overall)	95
Accuracy	95
Availability of Info.	94
Expertise	94
Helpfulness	94
Timeliness	93

RBN Renewal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<u>Eligible to Renew</u>	411	328	341	327	318	266						
<u>Failed to Renew</u>	17	12	19	15	4	18						
<u>% Renewed</u>	96%	96%	94%	95%	99%	93%						

Licensing Statistics

Total Licensee Counts by Month:

Individuals (Persons)	May-24	Jun-24
Broker – Total	17,422	17,323
Active	15,620	15,576
Inactive	1,802	1,747
Principal Broker - Total	6,178	6,168
Active	5,763	5,738
Inactive	415	430
ALL BROKERS Total	23,600	23,491
Active	21,383	21,314
Inactive	2,217	2,177
Property Manager - Total	1,011	1,010
Active	889	892
Inactive	122	118
MCC Salesperson	17	19
MCC Broker	0	0
TOTAL INDIVIDUALS	24,628	24,520
Active	22,289	22,225
Inactive	2,339	2,295
Facilities (Companies)		
REMO	4	4
Registered Business Name (RBN)	3,724	3,706
Registered Branch Office (RBO)	769	772
Escrow Organization	85	81
Escrow Branch	180	178
Condominium Filing (CO)	581	594
Unit Owners Association	820	818
Pre-License Education Provider (PEP)	25	25
CEP	289	289
MCC Operator	25	25
TOTAL FACILITIES	6,502	6,492
TOTAL INDIVIDUALS & FACILITIES	31,130	31,012

New Licenses by Month:

Individuals (Persons)	May-24	Jun-24
Broker	118	100
Principal Broker	8	10
TOTAL BROKERS	126	110
Property Manager	6	8
MCC Salesperson	2	1
MCC Broker	0	0
TOTAL INDIVIDUALS	134	119
Facilities (Companies)		
Continuing Education Provider (CEP)	1	0
REMO	0	0
Registered Business Name	30	16
Registered Branch Office	3	6
Escrow Organization	0	1
Escrow Branch	0	2
Condominium Filing	8	11
Unit Owners Association	4	7
Pre-License Ed Provider	0	0
MCC Operator	0	0
TOTAL FACILITIES	45	43
TOTAL INDIVIDUALS & FACILITIES	180	162

Exam Statistics

June 2024

ALL LICENSING EXAMS Total

Broker	385
Property Manager	33
Principal Broker	30
Reactivation	7

Pass Rates

<i><u>First Time Pass Rate</u></i> <i><u>Percentage</u></i>	<i><u>2020</u></i>	<i><u>2021</u></i>	<i><u>2022</u></i>	<i><u>2023</u></i>	<i><u>2024</u></i>
Broker State	50	47	44	42	43
Broker National	68	67	66	64	64
Principal Broker State	53	57	54	47	50
Principal Broker National	63	55	65	54	72
Property Manager	58	66	65	63	67

Oregon Real Estate Agency Education & Licensing Division
Licensee Application & Renewal 2024 Data

New Applications													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Brokers	219	204	217	176	197	181							1194
Principal Brokers	29	24	23	19	21	18							134
Property Managers	28	23	24	23	28	27							153
Total	276	251	264	218	246	226							1481

Renewal Activity														
Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	519	498	533	555	584	550							3239
	Inactive	43	37	23	32	43	31							209
Late	Active	48	34	41	50	57	54							284
	Inactive	27	11	6	12	4	12							72
Lapse		144	126	140	141	135	135							821
Total		781	706	743	790	823	782							4625

Principal Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	213	235	230	223	230	242							1373
	Inactive	13	14	10	9	19	15							80
Late	Active	8	9	5	12	10	6							50
	Inactive	3	4	1	2	1	3							14
Lapse		32	26	29	14	28	23							152
Total		269	288	275	260	288	289							1669

Oregon Real Estate Agency Education & Licensing Division
Licensee Application & Renewal 2024 Data

Property Managers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	31	28	26	22	40	28							175
	Inactive	1	2	2	0	4	1							10
Late	Active	3	2	4	2	1	1							13
	Inactive	0	1	1	1	0	1							4
Lapse		11	10	5	10	5	13							54
Total		46	43	38	35	50	44							256

Grand Total (Brokers, Principal Brokers, Property Managers)														
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Eligible to Renew		1096	1037	1056	1085	1161	1115							6550
On Time	Active	763	761	789	800	854	820							4787
	Inactive	57	53	35	41	66	47							299
Late	Active	59	45	50	64	68	61							347
	Inactive	30	16	8	15	5	16							90
Total Renewed		909	875	882	920	993	944							5523
Lapse		187	162	174	165	168	171							1027

% On Time		74.8%	78.5%	78.0%	77.5%	79.2%	77.8%	%	%	%	%	%	%	77.6%
% Late		8.1%	5.9%	5.5%	7.3%	6.3%	6.9%	%	%	%	%	%	%	6.7%
% Failed to Renew (Lapsed)		17.1%	15.6%	16.5%	15.2%	14.5%	15.3%	%	%	%	%	%	%	15.7%
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 Education & Licensing Division
Licensee Application & Renewal 2023 Data

New Applications													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Brokers	262	211	275	209	253	247	228	266	226	178	177	177	2709
Principal Brokers	37	24	37	16	24	30	32	30	21	25	26	17	319
Property Managers	26	26	35	24	30	20	21	28	32	20	29	21	312
Total	325	261	347	249	307	297	281	324	279	223	232	215	3340

Renewal Activity														
Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	482	509	544	527	581	559	557	579	555	540	473	495	6401
	Inactive	42	28	30	29	28	39	25	39	33	46	34	47	420
Late	Active	74	48	50	52	67	43	63	57	63	59	50	44	670
	Inactive	12	8	13	12	12	9	9	8	9	15	9	15	131
Lapse		111	104	120	121	117	133	168	148	155	137	119	147	1580
Total		721	697	757	741	805	783	822	831	815	797	685	748	9202

Principal Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	206	175	212	230	194	235	252	238	240	210	195	219	2606
	Inactive	20	12	7	10	10	8	9	11	7	7	13	11	125
Late	Active	13	6	9	10	7	13	11	13	11	14	4	11	122
	Inactive	2	3	1	3	1	2	0	6	3	2	4	2	29
Lapse		21	27	27	29	28	29	21	28	27	23	30	28	318
Total		262	223	256	282	240	287	293	296	288	256	246	271	3200

Oregon Real Estate Agency Education & Licensing Division
Licensee Application & Renewal 2023 Data

Property Managers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	35	29	35	26	38	29	36	36	27	26	31	36	384
	Inactive	3	1	1	3	2	0	1	1	1	3	1	3	20
Late	Active	3	2	0	2	1	0	4	1	0	1	2	3	19
	Inactive	2	1	0	0	0	1	1	2	0	0	0	0	7
Lapse		5	5	11	9	7	7	6	11	6	6	10	8	91
Total		48	38	47	40	48	37	48	51	34	36	44	50	521

Grand Total (Brokers, Principal Brokers, Property Managers)														
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Eligible to Renew		1031	958	1060	1063	1093	1107	1163	1178	1137	1089	975	1069	12923
On Time	Active	723	713	791	783	813	823	845	853	822	776	699	750	9391
	Inactive	65	41	38	42	40	47	35	51	41	56	48	61	565
Late	Active	90	56	59	64	75	56	78	71	74	74	56	58	811
	Inactive	16	12	14	15	13	12	10	16	12	17	13	17	167
Total Renewed		894	822	902	904	941	938	968	991	949	923	816	886	10934
Lapse		137	136	158	159	152	169	195	187	188	166	159	183	1989

% On Time		76.4%	78.7%	78.2%	77.6%	78.0%	78.6%	75.7%	76.7%	75.9%	76.4%	76.6%	75.9%	77.0%
% Late		10.3%	7.1%	6.9%	7.4%	8.1%	6.1%	7.6%	7.4%	7.6%	8.4%	7.1%	7.0%	7.6%
% Failed to Renew (Lapsed)		13.3%	14.2%	14.9%	15.0%	13.9%	15.3%	16.8%	15.9%	16.5%	15.2%	16.3%	17.1%	15.4%
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 Education & Licensing Division Phone Counts													
(Minutes: seconds)	Jan – 24	Feb – 24	Mar – 24	Apr – 24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov--24	Dec-24	2024 Average
Call Count	1588	1447	1509	1471	1415	1338							1428
Average Wait Time	:30	:42	:45	:32	:25	:29							:34
Maximum Wait Time	0:09:48	0:12:50	0:11:01	0:10:00	0:13:36	0:13:28							0:11:47

Oregon Real Estate Agency Education & Licensing Division Phone Counts													
(Minutes: seconds)	Jan – 23	Feb – 23	Mar – 23	Apr – 23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov--23	Dec-23	2023 Average
Call Count	1642	1368	1603	1428	1438	1286	1283	1468	1382	1445	1222	1265	1403
Average Wait Time	:33	:32	:35	:28	:28	:35	:38	:29	:32	:29	:40	:30	:32
Maximum Wait Time	0:11:07	0:11:14	0:10:58	0:09:13	0:10:11	0:16:20	0:09:26	0:11:08	0:11:55	0:11:53	0:10:46	0:10:44	0:11:15

Oregon Real Estate Agency Education & Licensing Division Phone Counts													
(Minutes: seconds)	Jan – 22	Feb – 22	Mar – 22	Apr – 22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov--22	Dec-22	2022 Average
Call Count	1730	1520	1776	1510	1437	1444	1303	1510	1555	1444	1469	1295	1499
Average Wait Time	:33	:23	:45	:33	:35	:36	:42	:58	:50	:36	:29	:43	:39
Maximum Wait Time	0:20:37	0:12:03	0:26:17	0:13:25	0:10:53	0:11:15	0:11:13	0:31:05	0:32:16	0:13:58	0:10:52	0:11:53	0:17:09