



Oregon

Theodore R. Kulongoski, Governor

Real Estate Agency

1177 Center Street NE

Salem, OR 97301-2505

Phone: (503) 378-4170

Regulations Fax: (503) 373-7153

Admin. Fax: (503) 378-2491

Licensing Fax: (503) 378-3256

www.rea.state.or.us

Notice of Agenda
OREGON REAL ESTATE BOARD
Regular Meeting Agenda

Monday, June 1, 2009
Best Western Sunridge Inn
1 Sunridge Ln.
Baker City, Oregon 97814-2254

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

WELCOME GEORGE SLAPE

I. BOARD BUSINESS

- A. Call to Order
- B. Roll Call
- C. Approval of the Agenda and Order of Business
- D. Approval of April 6, 2009, regular meeting minutes
- E. Date of the Next Meeting: August 3, 2009 in Portland, Oregon at the Multnomah Athletic Club.

II. PUBLIC COMMENT

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 – Waiver request log.

- A. Lawrence Davidson requests experience requirements waiver for a sole practitioner license (included in packet)
- B. Tressa Rossi requests experience requirements waiver for a principal broker license (included in packet)



IV. BOARD ADVICE/ACTION

- A. Potential reciprocal agreements from other states-Commissioner Bentley

V. COMMUNICATIONS – Administrative Actions Summary

VI. OREGON REAL ESTATE NEWS JOURNAL-Chair Kegler

VII. REPORTS

- A. Chair Kegler

- B. Commissioner Gene Bentley

1. Legislative Update

a. SB 140

b. SB 141

c. SB 640

d. HB 2910

2. Education Work Groups

3. Sole Practitioner/Principal Broker

4. Education Division Manager

5. ARELLO Mid Year Conference report

- C. Agency division reports-Deputy Commissioner Owens

1. Regulation Division – Selina Barnes

2. Licensing Division – Laurie Hall

3. Education Division – Mesheal Heyman

4. Land Development Division – Laurie Skillman

5. Administration/Information Systems Division – Kate Nass

VIII. ADJOURNMENT

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



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State of Oregon Real Estate Agency

REAL ESTATE BOARD

Regular Meeting Minutes April 6, 2009

MEMBERS PRESENT:

Art Kegler, Chair
Warren (Lee) Dunn, Vice-Chair
Troy Costales
Byron Hendricks
Marianne Wood
Chris Hermanski

MEMBERS ABSENT:

Michael Graeper, excused

STAFF PRESENT:

Gene Bentley, Commissioner
Dean Owens, Deputy Commissioner
Kate Nass, Administrative Services Division Manager
Mesheal Heyman, Education Division Manager
Laurie Hall, Licensing Division Manager
Selina Barnes, Regulation Division Manager
Laurie Skillman, Land Development Division Manager
Leandra Cooley, Board Liaison

GUESTS PRESENT:

George Slape, Western Title & Escrow
Andrea Bushnell, Oregon Association of Realtors
Jana Jarvis, Oregon Association of Realtors

I. BOARD BUSINESS

- A. Call to Order.** Chair Kegler called the meeting to order at 10:00 a.m.
- B. Roll Call.** Board Liaison conducts roll call.
- C. Approval of the Agenda and Order of Business.** Agenda and Order of Business approved as submitted.
- D. Approval of the February 2, 2009, regular meeting minutes.** February 2, 2009 minutes approved as submitted.

E. Date of Next Meeting: June 1, 2009 in Baker City, Oregon

II. PUBLIC COMMENT. None.

III. REQUESTS FOR WAIVER. None.

IV. BOARD ADVICE/ACTION

A. Team Advertising (handout included in packet-please be prepared to discuss). Commissioner Bentley explained that the current rule requires all the names of group members to be listed on business cards or advertisement signs and he provided **Exhibit A**, which reflects his comments regarding the letter from Andrea Bushnell. He also stated that the solution to the issues maybe registry, or tracking supervising principal brokers with Agency software. Marianne Wood responded that it is not practical to list all members on business cards and/or advertisement signs. Robert LeFeber responded that the Commissioner should track supervision within each firm internally. Deputy Commissioner Owens suggested that a work group be assembled to address the team advertising rule and examine the practical application of this rule. Commissioner Bentley responded that the Agency has information flow issues with team advertising and the Agency and Oregon Association of Realtors will work together to review this rule. Byron Hendricks volunteered to participate in the rule review work group.

B. Civil penalties and unlicensed activity/expired license. Commissioner Bentley explained that due to negative feedback from the legislature regarding inconsistency in assessing civil penalties, the Agency has been very rigid in the civil penalty process. Chair Kegler asked the board members if their consensus is for the Agency to remain consistent and they responded that the consensus is for the Agency to remain consistent.

Commissioner Bentley addressed the issue of the pool of test questions used for both broker and property managers, which was not on the agenda and indicated that the Agency is considering turning over the administration of the pool of test questions to PSI. He asked the board members what their consensus was on this issue and they responded that the consensus is to have the Agency pursue this idea.

V. COMMUNICATIONS-Administrative Actions Summary. No discussion.

VI. OREGON REAL ESTATE NEWS JOURNAL-Chair Kegler. Byron Hendricks will submit an article for the next issue and Chair Kegler will submit an article for the following issue.

VII. REPORTS

A. Chair Kegler-Formal farewell to Troy Costales. Chair Kegler presented Mr. Costales with a letter of recognition from Governor Kulongowski and a certificate of appreciation from the Agency.

Mr. Costales summarized his history with both the real estate industry and his service on the Oregon Real Estate Agency Board. He also expressed great thanks and appreciation to his fellow board members, industry members and the Agency staff.

B. Commissioner Gene Bentley

1. Introduction of George Slape as new public board member.

Commissioner Bentley introduced Mr. Costales' replacement, George Slape, as a public member and explained that Mr. Slape is based in Bend, Oregon and he participated in the Agency's escrow rule review.

2. Legislative Update. Commissioner Bentley provided **Exhibit B**, which were summary sheets on SB 140, SB 141, HB 5045, HB 5046, and SB 640. Andrea Bushnell addressed SB 640 as being carried by the Oregon Association of Realtors. She explained that the bill relates to continuing education requirements and calls for the industry to be responsible for certifying providers and monitoring and/or tracking hours. Jana Jarvis added that the dash one amendments were submitted which brought back fiscal impact and more amendments will be made. Kate Nass provided the fiscal impact on SB 640, which was marked as **Exhibit C**, and on SB 2910, which was marked as **Exhibit D**.

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

1. Regulation Division-Selina Barnes. Ms. Barnes reported that the Division is fully staffed at this time and the data base recently created to track administrative actions has been very beneficial and also summarized the statistical information provided in the handout.

2. Licensing Division-Laurie Hall. Ms. Hall reported that there is currently a decrease in the number of brokers and an increase in the number of property managers. She also stated that the Division is working with consultants in analyzing current software and summarized the statistical information provided in the handout.

3. Education Division-Mesheal Heyman. Ms. Heyman reported that the Agency had a display at the State Capitol for the Oregon's 150th birthday recognition and she also stated that the Oregon Real Estate Manual is currently being updated. She also reported that the Agency's web site maintenance has been transferred, internally, to the Information Technology Division. She also indicated that there were one hundred client trust account mail in audits sent out last week.

4. Land Development Division-Laurie Skillman. Ms. Skillman reported that the Division's filings continue to decrease and she

also stated that the project for improvements to the data base is continuing. She also gave a legislative update on the bills the Agency is monitoring.

- 5. Administration/Information Systems-Kate Nass.** Ms. Nass summarized the Agency's budget situation and reviewed the statistical information provided in the handouts. A job announcement for an Information Systems 7 position has been posted as well as a limited duration student worker which is being considered for extension into the summer months.

VIII. ANNOUNCEMENTS-Please note change in the meeting sites below:

2009 Board meeting schedule

- April 6, Salem
- June 1, Baker City
- **August 3, Portland (previously Salem)**
- October 5, Mid-Columbia
- **December 7, Salem (previously Portland)**

- IX. ADJOURNMENT-Board members to meet Julia Wu and Jon Cvetko, consultants with TEK Associates.** Ms. Nass introduced Julia Wu and Jon Cvetko who will be meeting with the Board directly following the adjournment.

Respectfully submitted:

GENE BENTLEY
COMMISSIONER

Respectfully submitted:

ART KEGLER
BOARD CHAIR

Exhibits distributed:

- A. Team Advertising letter from OAR, *Agenda Item No. IV. A.*
- B. Summary sheets of bills, *Agenda Item VII. B. 2.*
- C. Fiscal impact on SB 640, *Agenda Item VII. B. 2.*
- D. Fiscal impact on HB 2910, *Agenda Item VII. B. 2.*

**Oregon Real Estate Board
Experience Requirement Waiver Request Log
2009**

| DATE | NAME | TYPE OF LICENSE | APPROVED OR DENIED | FACTS AND BOARD DISCUSSION |
|--------|--------------------|-----------------|--------------------|---|
| 2/2/09 | Florum, Jinean | SP | Denied | <p>FACTS: Active Property Manager since February 13, 2006; 88 credit hours Real Estate Certificate from Emily Griffith Opportunity School in Colorado in 1995.</p> <p>DISCUSSION: Ms. Florum explained that she has been working as a property manager in La Grande, Oregon for three years. Chair Kegler asked Ms. Florum if she has had any involvement with the Real Estate Agency at any time and she responded that she was audited by the Real Estate Agency in November of 2007. Chair Kegler also asked Ms. Florum if she was currently involved with the Real Estate Agency and she responded that to her knowledge nothing was currently pending with the Real Estate Agency. Michael Graeper asked Ms. Florum to clarify the amount of time she is asking to be waived and how long has she been licensed. Ms. Florum responded that she applied for a property manager's license in 2005 and began practicing in 2006 and if she had any sales experience. Ms. Florum responded that she does not have sales experience, however, she does own a mobile notary service and eighteen years of experience working with contracts of sales of new homes. Commissioner Bentley explained that typically a sole practitioner is a person who has had a minimum of three years of experience as a licensed broker and asked Ms. Florum if she was requesting to have all three required years waived. Ms. Florum indicated that she was requesting to have all three years waived because she believes she has enough experience based on her involvement with refinancing loans activities which have been strictly from a notary perspective. Chair Kegler encouraged Ms. Florum to obtain a brokers' license, practice under a principal broker to gain some experience and possibly apply for another waiver request at a later date.</p> |
| 2/2/09 | Simmons, Paul | SP | Denied | <p>FACTS: Inactive Broker effective 1/1/09; 20 years as VP Retail Development for WinCo Foods.</p> <p>DISCUSSION: Mr. Simmons provided a brief history of his background, which included twenty years of experience in the retail real estate development industry. Bob LeFeber recused himself from voting on Mr. Simmons waiver request due to conflict of interest. Chair Kegler asked Mr. Simmons to explain what direction he would take if the waiver request was to be allowed. Mr. Simmons responded that he is interested strictly in commercial real estate activity. Byron Hendricks asked Mr. Simmons to explain why he chose not to obtain a brokers' license prior to submitting his waiver request and Mr. Simmons indicated that he did not want to go through the process when his ultimate goal is to become a sole practitioner. Marianne Wood stated that Mr. Simmons' references were impeccable and she did not doubt his qualifications however, she indicated her concern was setting precedent with waiving the entire three year requirement. Byron Hendricks encouraged Mr. Simmons to submit another waiver request after one year.</p> |
| 6/1/09 | Rossi, Tressa | PB | | <p>FACTS: Active Property Manager since August 28, 1990; Associates Degree with a major in real estate; owner of Fox Management Inc since March 2002.</p> <p>DISCUSSION:</p> |
| 6/1/09 | Davidson, Lawrence | SP | | <p>FACTS: Lawyer for 30 years in good standing with the Oregon State Bar and has handled multiple real estate related issues; business owner for 15 years.</p> <p>DISCUSSION:</p> |

**Oregon Real Estate Board
Experience Requirement Waiver Request
Agency Synopsis**

For consideration at Board meeting on June 1, 2009

| | |
|---|--|
| Applicant: | LAWRENCE DAVIDSON License (or Permanent ID) # 200903085 |
| Requesting: | <input type="checkbox"/> Principal Broker <input checked="" type="checkbox"/> Sole Practitioner |
| Current License Status: | None |
| Active Licensed Time: | N/A |
| Education Completed: | <input checked="" type="checkbox"/> 150 hours pre-licensing <input type="checkbox"/> BASS course (not required for sole practitioner) |
| Examination Completed: | <input checked="" type="checkbox"/> Broker state & national exams |
| Previous Request/Appearance: | None |
| Any disciplinary action taken by Agency: | N/A |

**Oregon Real Estate Board
Experience Requirement Waiver Request
Agency Synopsis**

For consideration at Board meeting on June 1, 2009

| | |
|---|---|
| Applicant: | TRESSA ROSSI License (or Permanent ID) # 890100108 |
| Requesting: | <input checked="" type="checkbox"/> Principal Broker <input type="checkbox"/> Sole Practitioner |
| Current License Status: | Active Property Manager |
| Active Licensed Time: | Since August 28, 1990 except for expired period from February 1, 1992-September 12, 1994 Total active time: 16 yrs, 2 months |
| Education Completed: | <input checked="" type="checkbox"/> 150 hours pre-licensing <input checked="" type="checkbox"/> BASS course (not required for sole practitioner) |
| Examination Completed: | <input checked="" type="checkbox"/> Broker state & national exams |
| Previous Request/Appearance: | None |
| Any disciplinary action taken by Agency: | No |

ADMINISTRATIVE ACTIONS
March 21, 2009 thru May 19, 2009

SUSPENSIONS

Brazil, Lora Lee (Lake Oswego) Broker #200607294

Stipulated order dated May 6, 2009, issuing a 30 day suspension effective May 22, 2009. Brazil failed to submit transaction documents to her principal broker within 7 banking days; and Brazil had the buyers and sellers sign a second note and trust deed instead of amending the first note and trust deed thereby doubling the lien amount on the subject property.

Violations: OAR 863-015-0140(6), ORS 696.301(12)

REPRIMANDS

Bergler, Kerry A. (Bend) Broker #980700019

Stipulated order dated May 6, 2009. Bergler failed to verify or suggest that buyer verify the zoning and allowed usage of the subject property prior to beginning renovation.

Violations: ORS 696.810(3)(a)

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

Eckstine, Marsha Kae (Bend)

Default order dated 4-13-09, 176 days elapsed between the time Eckstine's license expired and it was renewed, resulting in a \$2,100 civil penalty.

Torres, Dorianth Yahaira (Hillsboro)

Default order dated 4-13-09, 274 days elapsed between the time Torres' license expired and it was renewed, resulting in a \$4,100 civil penalty.

**REAL ESTATE BOARD
REGULATION DIVISION REPORT
June 1, 2009**

Manager: Selina Barnes
Compliance Manager: Kris Ebelmesser
Administrative Specialist: Denise Lewis
Financial Investigators: Donald Barrett, Gae Lynne Cooper, Aaron Grimes,
 Ralph Harding, Deanna Hewitt, Shari Ohmer, Judith Parker,
 Rob Pierce, Aimee Wiley
Vacancies: None

Section Overview

This division receives complaints and determines validity and assignment for investigation. Investigators gather facts, complete report and submit to Manager for review. The Manager determines whether the evidence supports charging a person with a violation of Agency statutes or administrative rules.

Workload and Activity Indicators

| Statistics | May 2008 | Jun 2008 | Jul 2008 | Aug 2008 | Sep 2008 | Oct* 2008 | Nov 2008 | Dec 2008 | Jan 2009 | Feb* 2009 | Mar 2009 | Apr 2009 |
|-------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|
| Complaints Received | 36 | 48 | 43 | 35 | 52 | 105 | 48 | 85 | 53 | 176 | 58 | 36 |
| Investigations Opened | 13 | 43 | 30 | 18 | 58 | 90 | 59 | 61 | 74 | 193 | 66 | 47 |
| Inv Open at Month-End | 204 | 221 | 213 | 219 | 231 | 255 | 230 | 230 | 264 | 239 | 235 | 258 |
| Complaints & Inv Closed | 22 | 14 | 29 | 6 | 29 | 64 | 53 | 64 | 45 | 163 | 39 | 26 |
| Final Orders Issued | 4 | 14 | 7 | 2 | 2 | 2 | 8 | 4 | 7 | 4 | 2 | 3 |
| Hearings Held | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 |

* Increase in complaints and investigations are due to clearing up backlog of renewal issues.

Escrow Annual Reports

Escrow licensees are required to submit an annual report to the Agency by March 31st of each year, which include: amount of trust funds received and disbursed, list of closing escrows that have been open more than twelve months, and outstanding checks up through the previous calendar year. Also, escrow licensees are required to submit a financial statement no later than 150 days after their tax or accounting year end.

Regulation Division staff have been reviewing the annual reports to ascertain any changes in an escrow licensee's bonding requirement in preparation for upcoming escrow license renewals. Staff will also be examining the annual reports and financial statements to identify any issues requiring further clarification or investigation.

**REAL ESTATE BOARD
LICENSING DIVISION REPORT
June 1, 2009**

Manager: Laurie Hall

Section Overview

The Licensing Division has five staff members who are responsible for public and licensee information services, real estate, property management and escrow licensing transactions and the registration of real estate business names. The staff is also responsible for reception.

There are approximately 28,000 individuals and facilities throughout the state of Oregon that are licensed and registered with the Agency. This generates an average of 2,000 transactions and 2,800 phone calls each month that must be received and processed by the Licensing Division. Although we have seen a drop in the number of new licensees, the number of existing licensed individuals and facilities has only decreased by 1,200 since a peak number of 29,164 in October of 2007.

Workload and Activity Indicators

| Licensed Individuals | JULY 2008 | AUG | SEP | OCT | NOV | DEC | JAN 2009 | FEB | MAR | APR |
|--------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| ALL BROKERS | 23,458 | 23,317 | 23,036 | 23,112 | 22,970 | 22,844 | 22,746 | 22,591 | 22,513 | 22,374 |
| Active | 20,150 | 20,060 | 19,745 | 19,766 | 19,574 | 19,287 | 18,960 | 18,726 | 18,704 | 18,633 |
| Inactive | 3,308 | 3,257 | 3,291 | 3,346 | 3,396 | 3,557 | 3,786 | 3,865 | 3,809 | 3,741 |
| ALL PROPERTY MGRS | 680 | 679 | 693 | 700 | 702 | 707 | 710 | 716 | 724 | 724 |
| Active | 600 | 601 | 612 | 619 | 622 | 628 | 631 | 635 | 640 | 638 |
| Inactive | 80 | 78 | 81 | 81 | 80 | 79 | 79 | 81 | 84 | 86 |

Online renewals were up to 48% in March.

Program Changes, Future Projects, Streamlining

Interviews are scheduled for May 6 and 7 for the vacant Public Service Representative 4 position. If all goes well, we should have selected the successful candidate and have an official start date by the time of this board meeting.

Idaho has terminated their Reciprocal Agreement with Oregon, effective July 1, 2009. Therefore, at the time of their renewal, all Idaho Reciprocal licensees will be required to exchange their Reciprocal license for an Oregon license, have an office address in Oregon and meet the Oregon continuing education requirements.

REAL ESTATE BOARD
EDUCATION DIVISION REPORT
June 1, 2009

Manager: Mesheal Heyman
Compliance Specialist: Danette Rozell

Division Overview

This division carries out the Agency's mission by striving for a competent licensed real estate community. The division does this by approving pre-license and post-license courses, coordinating license exam services, developing informational publications and websites, providing customer services via phone and electronic mail, and conducting compliance reviews and mail-in audits.

Workload and Activity Indicators

| <u>Exams Administered</u> | <u>Nov</u> | <u>Dec</u> | <u>Jan</u> | <u>Feb</u> | <u>Mar</u> | <u>Apr</u> |
|---------------------------|------------|------------|------------|------------|------------|------------|
| ALL LICENSING EXAMS Total | 141 | 103 | 131 | 111 | 140 | 126 |
| Broker | 122 | 91 | 113 | 95 | 121 | 107 |
| Property Manager | 19 | 12 | 18 | 16 | 19 | 19 |

Exam year-to date-totals for April 2009 showed a 40% decrease from the number of exams administered for same period in 2008.

| <u>Public Inquires</u> | <u>Nov</u> | <u>Dec</u> | <u>Jan</u> | <u>Feb</u> | <u>Mar</u> | <u>Apr</u> |
|------------------------|------------|------------|------------|------------|------------|------------|
| Phone | 432 | 460 | 537 | 549 | 468 | 526 |
| E-Mails | 65 | 91 | 99 | 103 | 125 | 82 |
| Walk-Ins | 11 | 8 | 1 | 2 | 1 | 2 |
| TOTAL | 508 | 559 | 637 | 654 | 594 | 610 |

CTA Mail-in Audits

The division sent out 100 clients' trust account mail-in audits on April 1, 2009. Responses were due May 20, 2009. On that date, the Agency had received 91 responses.

Program Changes, Future Projects, Streamlining

The contents of the *Oregon Real Estate Manual* are now online. The division is now working toward updating the information in the *Manual*, publishing it online, and providing a paper copy for subscribers to the Manual Update Service.

The division has made available two fillable forms on the Agency's website. Licensees can type information into the Inventory of and Authorization to Examine Clients' Trust Accounts form and the new Closed Clients' Trust Account forms before printing and mailing to the Agency.

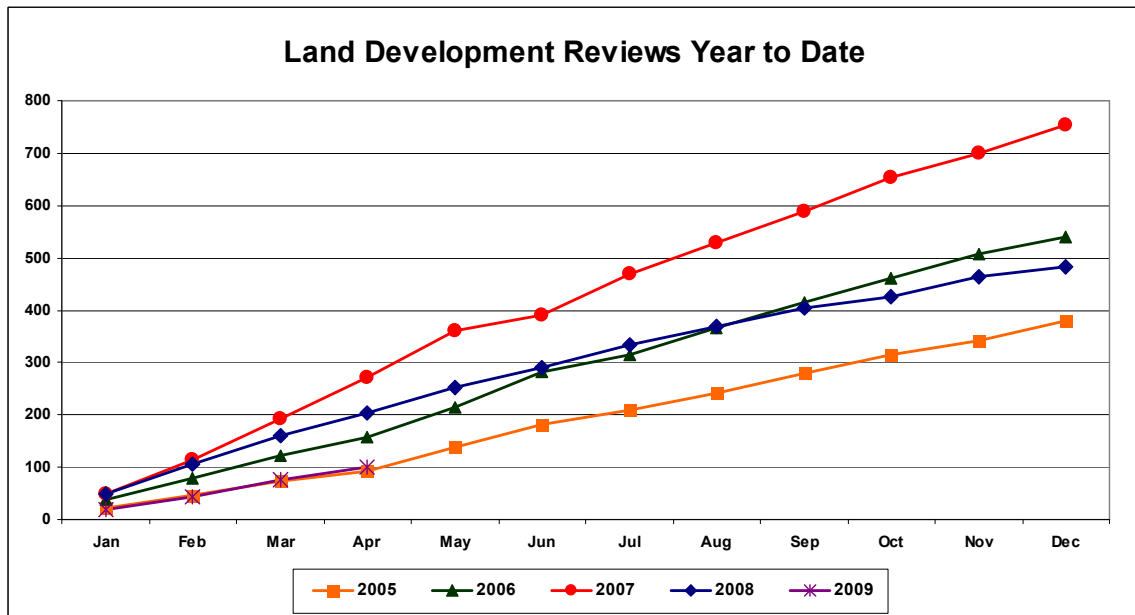
**REAL ESTATE BOARD
LAND DEVELOPMENT DIVISION REPORT
June 1, 2009**

Manager: Laurie Skillman
Administrative Specialist: Stacey Harrison
Vacancies: None

Section Overview

This Division reviews land development filings, including condominiums.

Workload and Activity Indicators



The monthly statistics for the first three months of 2009 track the number of filings for 2005. The decrease in filings is due in large part to housing markets and the difficulty of obtaining financing for project development and for long-term financing of residential condominiums. SB 963 amends a number of provisions in the Condominium Act (ORS Chapter 100) and in the statutes relating to planned communities and homeowner associations (ORS 94.550 to 94.783). The stakeholders (the Agency, attorneys, developers and association managers) have worked closely on this bill.

Program Changes, Future Projects, Streamlining

The division will need to completely revise our condominium filing forms based on the changes in SB 963. Filings recorded on or after January 1, 2009 will need to comply with these statutes. Therefore, the division will work toward completing revisions in early fall. We also continue to work with the Administration Division on our system requirements for a land development database. We are continuing to work collaboratively with our stakeholders on legislation through this legislative session.

**REAL ESTATE BOARD
ADMINISTRATIVE SERVICES DIVISION REPORT
June 1, 2009**

Manager: Kate Nass

Administrative Specialists: Leandra Cooley and Linda MacPherson

Public Service Representative: Stacey Harrison and Rae McFarland (part-time)

Information Systems Specialist: Greg DeMaderios and LeRoy Helton

Accounting Tech Intern: Anna Higley (part-time)

Student Workers: Katie Archambault (part-time)

Section Overview

The Administrative Services Section acts as support to the agency. This section manages budget/allotment preparation, accounting, information technology, purchasing and contracting, inventory control, facilities, payroll and personnel contacts, and special projects.

2007-09 Budget Update

- Agency Budget – projected limitation remaining of approximately \$1,050,000 at end of biennium.
- Personal Services: Savings of approximately \$332,000;
 - The agency currently has two vacancies and additional savings are from previous vacancies.
- Services & Supplies: Savings of approximately \$715,000;
 - Agency has limitation remaining in professional services (applicant background check processing) and exam services, which accounts for most of the savings in Services and Supplies.
- Cash Flow: The agency is projecting to spend approximately \$325,000 more than projected revenue.

See budget spreadsheets for more information.

2009-11 Budget Update

The Agency 2009-2011 budget passed out of both houses and is awaiting the Governor's signature. The only change to the budget as presented from the Governor's Recommended Budget is the addition of a budget note addressing agency publications move from paper to electronic format.

Program Changes/Updates

- During the Legislative Session, Administrative Services has been working with the Legislative Fiscal Office on the fiscal impact of bills would have on the agency, if passed. The bills may amend our licensing statute or other statutes that affect the business of the agency or licensees. The bills vary from mandatory employee drug testing to changes to the administrative hearing process to requiring arsenic testing in wells.
- Work is wrapping up with the consultant on documenting current business processes and developing a business case for the new online licensing system and database. The next step is to develop "to-be" or ideal business processes, which will lead to system requirements.
- Greg DeMaderios was selected as the Information Services Division Manager, he has been acting in this capacity since May 2007. His position as the Information Services Analyst is currently open for recruitment.

- Vitaly Putinsev, who worked as a student worker for the past two and half years, had his last day with the agency in May.

**Real Estate Agency
2007-2009 Budget - Biennium to Date
Through April 2009**

| | <u>05-07 Actual Expenditures</u> | <u>Legislative Approved Budget</u> | <u>Total Limitation w/ June E-Board</u> | <u>Expected Total Expenditures for Biennium (as of Feb 2009)</u> | <u>Expected Total Expenditures for Biennium (current)</u> | <u>Expected Remaining Limitation at end of Biennium</u> | <u>Notes</u> |
|---|----------------------------------|------------------------------------|---|--|---|---|--|
| Total Personal Services | 4,380,433 | 4,877,514 | 5,146,221 | 4,807,491 | 4,814,076 | 332,145 | |
| Services & Supplies and Capital Outlay Detail: | | | | | | | |
| Travel | 82,333 | 98,613 | 98,613 | 98,231 | 95,924 | 2,689 | Includes both instate & out of state travel |
| Program Related Office Expenses | 350,592 | 428,687 | 428,687 | 320,747 | 315,700 | 112,987 | Includes employee training & recruitment, office expenses, postage, office furniture, private collection company fees & VISA and Mastercard processing fees. |
| Publicity & Publications | 129,331 | 160,502 | 160,502 | 133,471 | 136,589 | 23,913 | No longer printing Q & A books, discontinued sale & printing of "Blue Manuals" - includes OJEN-Jand licensing forms & packets |
| Telecom/Tech Services & Support | 92,319 | 72,000 | 72,000 | 97,421 | 96,293 | (24,293) | DAS increased data line/connection monthly fee |
| Data Processing | 17,715 | 70,400 | 67,328 | 4,903 | 4,873 | 62,455 | Server support & data processing (ie customer service survey processing and email subscription service) |
| IT Professional Services | 52,484 | 136,000 | 136,000 | 87,831 | 87,831 | 48,169 | Includes database contracts and maintenance agreements (including System Automation maint. agrmt) |
| IT Expendable Property | 48,967 | 63,991 | 63,991 | 91,175 | 60,561 | 3,430 | Decision by IT to not implement Microsoft Office 2007 to all staff decreased expected expenditures. Includes all IT related equipment - computers, printers, monitors etc. that cost less than \$5,000 |
| Capital Outlay - Telcom & IT Equipment | 8,357 | 0 | 0 | 24,734 | 24,734 | (24,734) | New IT security appliances for SB 583 requirements and new switch for telephone system upgrade. |
| State Govt Service Charge | 186,031 | 195,628 | 195,628 | 200,819 | 200,502 | (4,874) | Includes DAS Assessments, Treasury charges, State Library service charges, etc... |
| Attorney General Legal Fees | 155,528 | 192,447 | 192,447 | 166,919 | 155,443 | 37,004 | AG Legal Services down from earlier in biennium - expenditures estimated at current use for remainder of biennium. |
| Facilities Rent, Taxes & Maintenance | 376,414 | 375,004 | 375,004 | 379,345 | 379,471 | (4,467) | Includes temporary storage units and parking space rent for visitor and Agency's State cars. |
| OSP Criminal Background Checks | | | 388,339 | | 171,886 | 216,453 | Decrease approximately 40% since last year - expected expenditures based on continued downward trend. |
| Hearings Officers, EAP & Legis. Counsel | | | 101,565 | | 45,241 | 56,324 | |
| Professional Service Contracts | | | 107,540 | | 161,206 | (53,666) | Includes professional contracts for rule review work groups, independent consultant for online licensing system review and other professional services. |
| Total Professional Services | 570,515 | 597,444 | 597,444 | 370,335 | 378,333 | 219,111 | |
| Agency Program Related S&S | 461,893 | 511,385 | 511,385 | 239,962 | 247,808 | 263,577 | Decrease in Exams approximately 35% from last year - expected biennium expenditures based on continued downward trend |
| Total Services & Supplies and Capital Outlay | 2,532,478 | 2,902,101 | 2,899,029 | 2,215,893 | 2,184,061 | 714,968 | |
| Totals | 6,912,911 | 7,779,615 | 8,045,250 | 7,023,384 | 6,998,137 | 1,047,113 | |

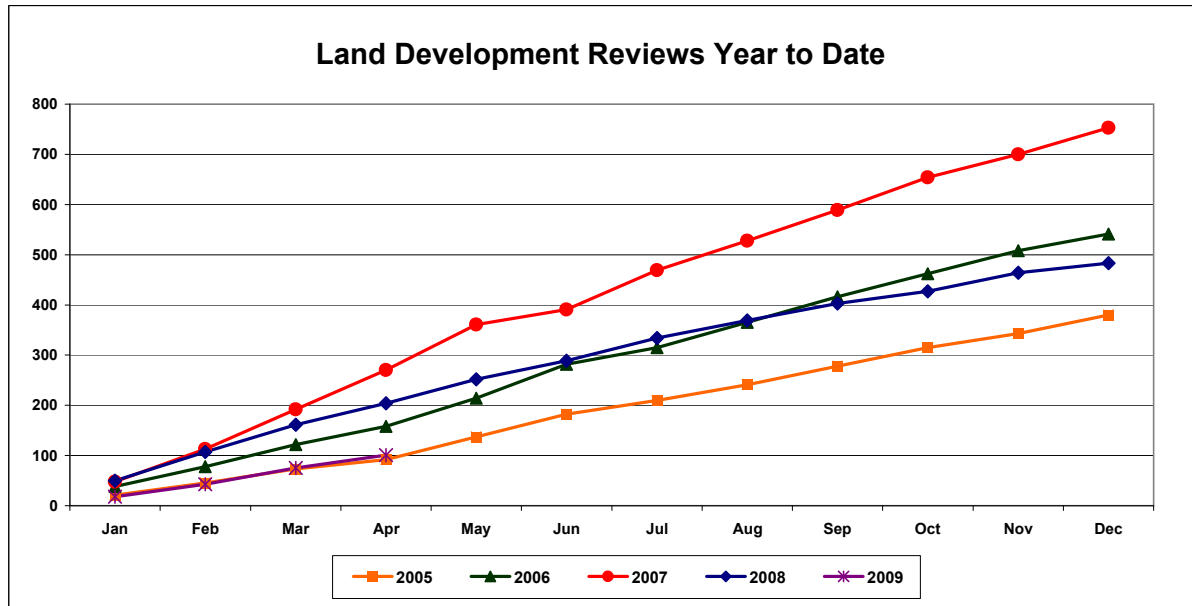
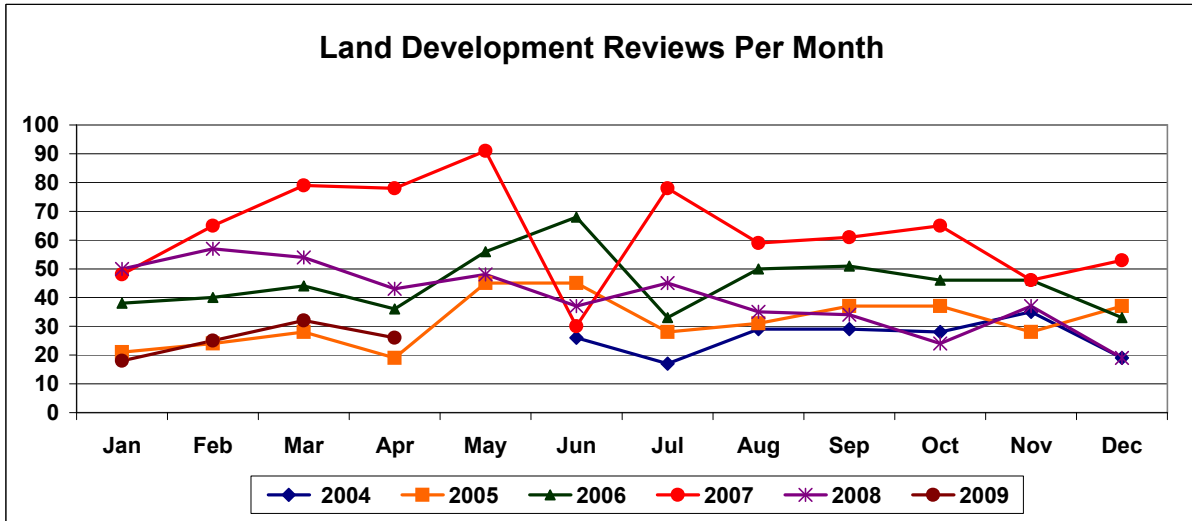
Real Estate Agency
2007-2009 Budget - Biennium to Date
Cash Flow Projections

| Fiscal Months 2007-08 | Actuals* | | | | | | | | | | | | Totals |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Jul-07 | Aug-07 | Sep-07 | Oct-07 | Nov-07 | Dec-07 | Jan-08 | Feb-08 | Mar-08 | Apr-08 | May-08 | Jun-08 | |
| Beginning Monthly Balance | 4,648,151 | 4,743,803 | 4,744,021 | 4,724,481 | 4,706,986 | 4,664,822 | 4,637,658 | 4,667,974 | 4,668,681 | 4,663,292 | 4,678,955 | 4,698,307 | |
| REVENUE | 357,956 | 329,665 | 291,482 | 346,088 | 288,309 | 264,432 | 335,178 | 283,746 | 276,213 | 301,977 | 302,676 | 350,740 | 3,728,462 |
| TRANSFER IN | | | | | | | | | | | | | |
| TRANSFER OUT | | | | | | | | | | | | | |
| PERSONAL SERVICES | 199,587 | 207,747 | 208,702 | 213,713 | 223,514 | 208,141 | 195,068 | 192,836 | 200,583 | 208,358 | 187,517 | 196,053 | 2,441,818 |
| SERVICES AND SUPPLIES | 62,717 | 121,700 | 102,319 | 149,870 | 106,960 | 78,372 | 103,019 | 90,204 | 81,019 | 65,079 | 95,807 | 152,046 | 1,209,114 |
| ADDITIONAL EXPENDITURES | - | - | - | - | - | - | - | - | - | - | - | - | - |
| CAPITAL OUTLAY | | | | | | 5,083 | 6,774 | - | - | 12,877 | - | - | 24,734 |
| Total Expenditures | 262,304 | 329,447 | 311,021 | 363,583 | 330,474 | 291,596 | 304,861 | 283,040 | 281,602 | 286,314 | 283,324 | 348,099 | 3,675,665 |
| Monthly Fund Balance | 4,743,803 | 4,744,021 | 4,724,481 | 4,706,986 | 4,664,822 | 4,637,658 | 4,667,974 | 4,668,681 | 4,663,292 | 4,678,955 | 4,698,307 | 4,700,948 | |

| Fiscal Months 2008-09 | Actuals* | | | | | | | | | | Estimates** | | Totals |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-----------|-----------|
| | Jul-08 | Aug-08 | Sep-08 | Oct-08 | Nov-08 | Dec-08 | Jan-09 | Feb-09 | Mar-09 | Apr-09 | May-09 | Jun-09 | |
| Beginning Monthly Balance | 4,700,948 | 4,665,607 | 4,670,831 | 4,694,216 | 4,660,188 | 4,609,401 | 4,557,753 | 4,565,574 | 4,505,918 | 4,484,331 | 4,456,033 | 4,385,919 | |
| REVENUE | 267,574 | 277,072 | 272,187 | 244,070 | 204,836 | 235,637 | 246,531 | 208,691 | 252,261 | 220,267 | 239,114 | 277,085 | 2,945,325 |
| TRANSFER IN | | | | | | | | | | | | | |
| TRANSFER OUT | | | | | | | | | | | | | |
| PERSONAL SERVICES* | 190,235 | 193,924 | 194,795 | 201,415 | 205,728 | 212,135 | 201,054 | 196,228 | 196,087 | 196,417 | 191,890 | 192,351 | 2,372,258 |
| SERVICES AND SUPPLIES** | 112,680 | 77,924 | 54,007 | 76,683 | 49,895 | 75,150 | 37,656 | 72,119 | 77,761 | 52,148 | 117,339 | 146,852 | 950,214 |
| ADDITIONAL EXPENDITURES | - | - | - | - | - | - | - | - | - | - | - | - | - |
| CAPITAL OUTLAY | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 302,915 | 271,848 | 248,802 | 278,098 | 255,623 | 287,285 | 238,711 | 268,347 | 273,848 | 248,564 | 309,228 | 339,203 | 3,322,472 |
| Monthly Fund Balance | 4,665,607 | 4,670,831 | 4,694,216 | 4,660,188 | 4,609,401 | 4,557,753 | 4,565,574 | 4,505,918 | 4,484,331 | 4,456,033 | 4,385,919 | 4,323,800 | |

| | | |
|--|---------------------------------------|------------------|
| Notes: | Beginning Balance - 07/01/2007 | 4,648,151 |
| * 2009 Fiscal Year Revenue down approximately 20% from 2008 Fiscal Year | | |
| ** Revenue is estimated for remainder of 07-09 biennium at 20% less than 2008 revenue. | Revenue | 6,673,787 |
| NOTE: Revenue reported on Cash Flow projections is actual revenue received each month, revenue had been underbooked each month due to a License 2000 reporting issue. The Agency has identified the unbooked revenue as of March 2009 - \$351,829 booked to account for reporting error. | Expenditures | |
| | Personal Svcs | 4,814,076 |
| | S&S | 2,159,328 |
| | Capital Outlay | 24,734 |
| | Expenditures total | 6,998,137 |
| | Estimated Ending Bal. 06/30/09 | 4,323,800 |
| | Total available limitation | 8,045,250 |
| | Total estimated exp | 6,998,137 |
| | Limitation remaining | 1,047,113 |

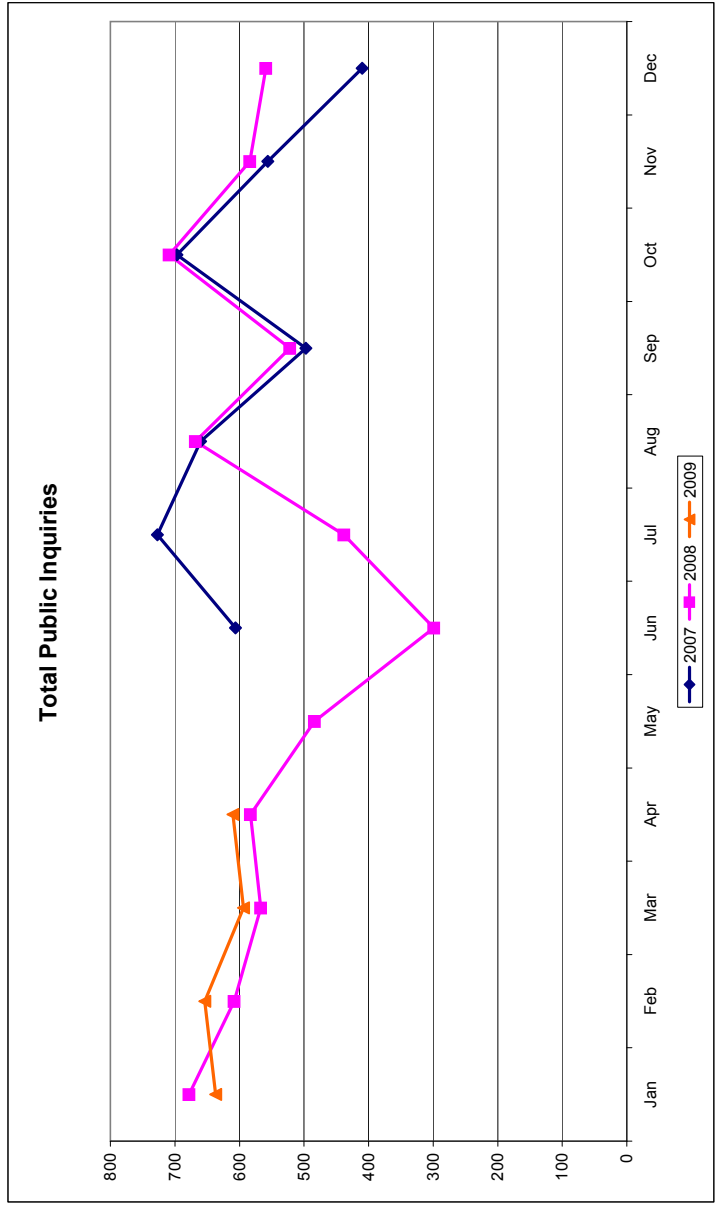
| Land Development Reviews/Month | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Average |
|--------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------|
| 2004 | | | | | | 26 | 17 | 29 | 29 | 28 | 35 | 19 | 26 |
| 2005 | 21 | 24 | 28 | 19 | 45 | 45 | 28 | 31 | 37 | 37 | 28 | 37 | 32 |
| 2006 | 38 | 40 | 44 | 36 | 56 | 68 | 33 | 50 | 51 | 46 | 46 | 33 | 45 |
| 2007 | 48 | 65 | 79 | 78 | 91 | 30 | 78 | 59 | 61 | 65 | 46 | 53 | 63 |
| 2008 | 50 | 57 | 54 | 43 | 48 | 37 | 45 | 35 | 34 | 24 | 37 | 19 | 40 |
| 2009 | 18 | 25 | 32 | 26 | | | | | | | | | |
| Average | 35 | 47 | 51 | 44 | 60 | 45 | 46 | 44 | 46 | 43 | 39 | 36 | |



Oregon Real Estate Agency
 Education Statistics
 Source: Mesheal Heyman
 Date: April 2009

| | 2007 | | | | | | | | | | | | 2008 | | | | | | | | | | | | 2009 | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--|------|--|--|--|
| | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug* | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | | | | | |
| Phone Room Calls received during Month | 559 | 683 | 592 | 443 | 642 | 509 | 382 | 588 | 543 | 507 | 511 | 442 | 260 | 392 | 547 | 437 | 607 | 508 | 460 | 537 | 549 | 468 | 526 | | | | | |
| Email Inquiries received during Month | 35 | 31 | 56 | 39 | 46 | 36 | 18 | 66 | 58 | 53 | 51 | 37 | 30 | 44 | 111 | 77 | 100 | 65 | 91 | 99 | 103 | 125 | 82 | | | | | |
| Walk-in Inquiries received during Month | 12 | 13 | 12 | 15 | 9 | 11 | 10 | 14 | 7 | 7 | 21 | 5 | 9 | 2 | 10 | 8 | 2 | 11 | 8 | 1 | 2 | 1 | 2 | | | | | |
| Total Public Inquiries | 606 | 727 | 660 | 497 | 697 | 556 | 410 | 678 | 608 | 567 | 583 | 484 | 299 | 438 | 668 | 522 | 709 | 584 | 559 | 637 | 654 | 594 | 610 | | | | | |
| Compliance Reviews Completed during Month | 15 | 19 | 10 | 16 | 19 | 17 | 7 | 7 | 8 | 7 | 9 | 5 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | |

| | |
|---------------------------|-----|
| Average Total Inquiries | 580 |
| Average Phone Calls | 509 |
| Average Email Inquiries | 63 |
| Average Walk-In Inquiries | 8 |

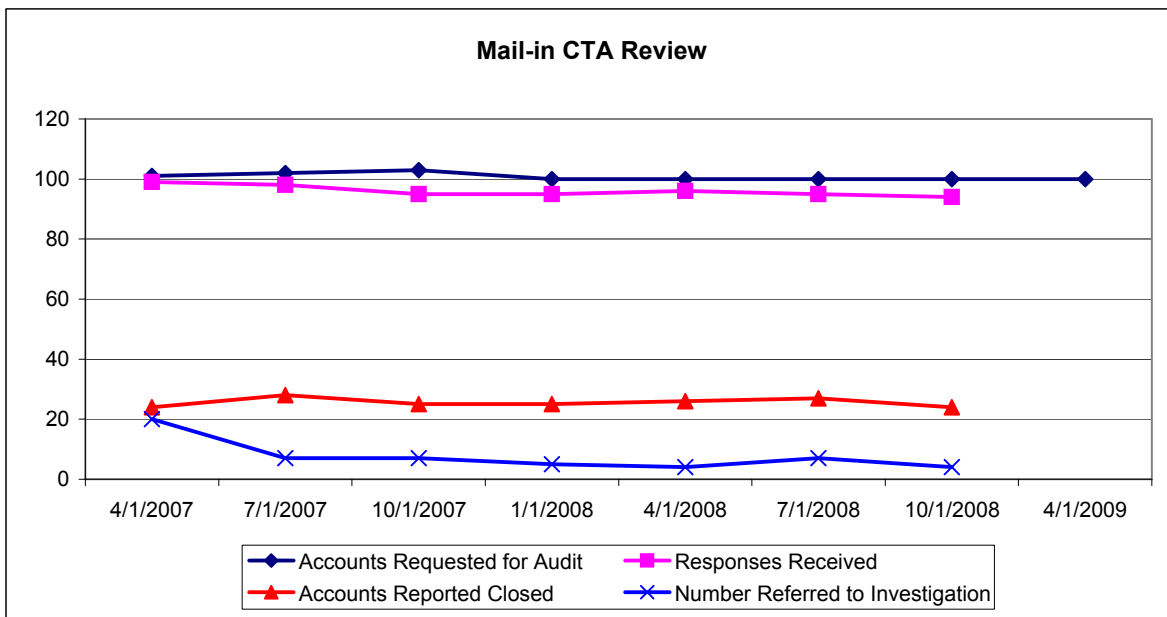


* In August 2008, The Education Division implemented the use of an online public inquiry data base which changed the way we tracked the public inquiry data.

Oregon Real Estate Agency
Mail-in CTA Statistics
Source: Mesheal Heyman
Date: April 2009

| Mail-in Review | 4/1/2007 | 7/1/2007 | 10/1/2007 | 1/1/2008 | 4/1/2008 | 7/1/2008 | 10/1/2008 | 4/1/2009 |
|--|----------|----------|-----------|----------|----------|----------|-----------|----------|
| Accounts Requested for Audit | 101 | 102 | 103 | 100 | 100 | 100 | 100 | 100 |
| Responses Received | 99 | 98 | 95 | 95 | 96 | 95 | 94 | |
| Accounts Reported Closed | 24 | 28 | 25 | 25 | 26 | 27 | 24 | |
| Number Referred to Investigation | 20 | 7 | 7 | 5 | 4 | 7 | 4 | |
| Percent of Mail-in Audits to Investigation | 19.80% | 6.86% | 6.80% | 5.00% | 4.00% | 7.00% | 4.00% | 0.00% |

Note: No CTA Mail-in Audit for 1st Quarter 2009 while Education is down staff.
 April 2009 CTA Audit Requested - responses due 5/20/09.

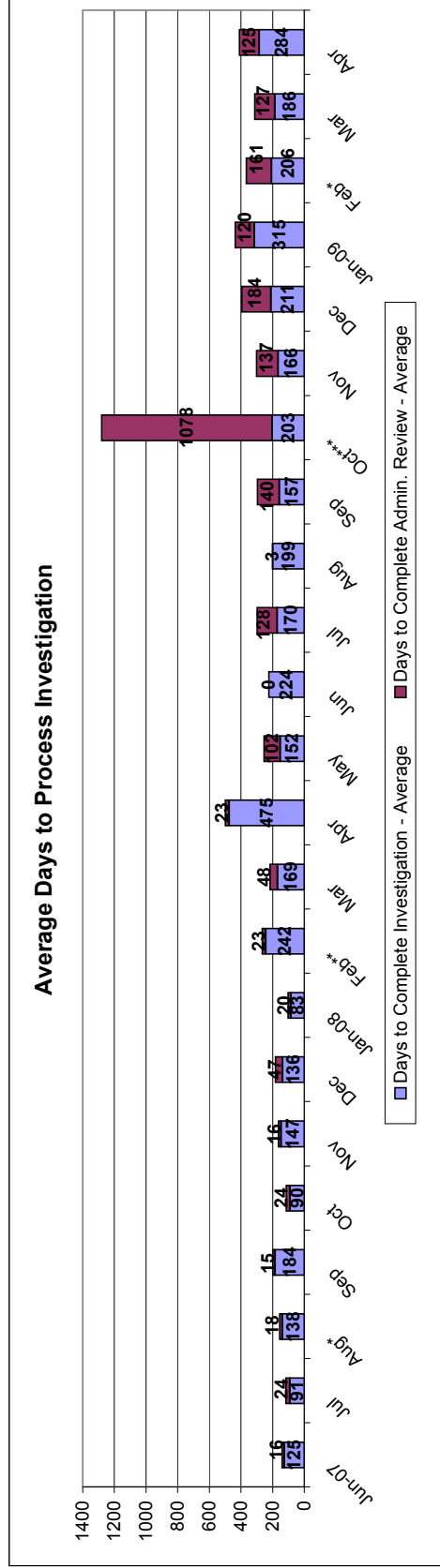


| Investigations: | 2007 | | | | | | | | | | | | 2008 | | | | | | | | | | | | 2009 | | | |
|--|--------|-----|------|-----|-----|-----|-----|--------|-------|-----|-----|-----|------|-----|-----|-----|--------|-----|-----|--------|------|-----|-----|--|------|--|--|--|
| | Jun-07 | Jul | Aug* | Sep | Oct | Nov | Dec | Jan-08 | Feb** | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct*** | Nov | Dec | Jan-09 | Feb* | Mar | Apr | | | | | |
| Days to Complete Investigation - Average | 125 | 91 | 138 | 184 | 90 | 147 | 136 | 83 | 242 | 169 | 475 | 152 | 224 | 170 | 199 | 157 | 203 | 166 | 211 | 315 | 206 | 186 | 284 | | | | | |
| Days to Complete Investigation - Median | 73 | 71 | 94 | 128 | 105 | 126 | 109 | 47 | 132 | 102 | 148 | 122 | 185 | 125 | 150 | 132 | 168 | 159 | 178 | 228 | 149 | 146 | 253 | | | | | |
| Number Investigations Completed | 34 | 33 | 24 | 19 | 20 | 20 | 17 | 13 | 9 | 12 | 23 | 21 | 16 | 17 | 15 | 14 | 17 | 12 | 16 | 11 | 13 | 22 | 19 | | | | | |
| Administrative Review: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Days to Complete Admin. Review - Average | 16 | 24 | 18 | 15 | 24 | 16 | 47 | 20 | 23 | 48 | 23 | 102 | 0 | 128 | 3 | 140 | 1078 | 137 | 184 | 120 | 161 | 127 | 125 | | | | | |
| Days to Complete Admin. Review - Median | 6 | 10 | 7 | 7 | 6 | 6 | 18 | 5 | 20 | 21 | 10 | 16 | 0 | 38 | 3 | 140 | 1078 | 142 | 62 | 120 | 186 | 91 | 64 | | | | | |
| Number Completed | 34 | 27 | 34 | 16 | 19 | 15 | 7 | 16 | 4 | 10 | 17 | 6 | 0 | 8 | 1 | 2 | 1 | 33 | 7 | 18 | 23 | 16 | 30 | | | | | |

April, 2009 - 19 completed investigations - 8 were over 300 days, completing the old cases drives the average up significantly.

* Background check workload transferred to Licensing during August 2007.
 ** One lengthy file closed (over a thousand days) in 2/2008 bringing average to close investigation up significantly.
 *** October 2008 - Regulation Manager finalizing outstanding cases, one old case closed.
 * Feb 2009 141 Renewal cases opened & closed while catching up.
 Regulation Manager position vacant from 4/29/08 - 6/9/08

| Averages: | Number of Investigations Completed per month | Number of Administrative Reviews Completed per month |
|--|--|--|
| Days to Complete Investigation | 189 | 18 |
| Days to Complete Administrative Review | 112 | 15 |



Oregon Real Estate Agency
Year over Year Licensing Statistics
Source: Laurie Hall
Date: April 2009

| Individuals (Persons) | Aug 07 (peak) | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | YoY | %YoY | Since Peak | % Since Peak |
|---|------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------|--------|---------------|-----------------|
| Broker - Total | 18,499 | 17,889 | 18,004 | 17,978 | 17,890 | 17,748 | 17,478 | 17,519 | 17,372 | 17,241 | 17,106 | 16,955 | 16,840 | 16,681 | (1,208) | -6.8% | (1,818) | -9.8% |
| Active | 16,116 | 15,053 | 15,125 | 15,078 | 14,929 | 14,840 | 14,533 | 14,522 | 14,334 | 14,054 | 13,703 | 13,478 | 13,430 | 13,351 | (1,702) | -11.3% | (2,765) | -17.2% |
| Inactive | 2,383 | 2,836 | 2,879 | 2,900 | 2,961 | 2,908 | 2,945 | 2,997 | 3,038 | 3,187 | 3,403 | 3,477 | 3,410 | 3,330 | 494 | 17.4% | 947 | 39.7% |
| Broker - Sole Practitioner - Total | 2,223 | 2,225 | 2,262 | 2,275 | 2,296 | 2,297 | 2,288 | 2,310 | 2,312 | 2,325 | 2,375 | 2,378 | 2,408 | 2,413 | 188 | 8.4% | 190 | 8.5% |
| Active | 1,964 | 1,972 | 2,005 | 2,019 | 2,041 | 2,042 | 2,040 | 2,056 | 2,054 | 2,063 | 2,110 | 2,113 | 2,138 | 2,135 | 163 | 8.3% | 171 | 8.7% |
| Inactive | 259 | 253 | 257 | 256 | 255 | 255 | 248 | 254 | 258 | 262 | 265 | 265 | 270 | 278 | 25 | 9.9% | 19 | 7.3% |
| Principal Broker - Total | 3,195 | 3,274 | 3,284 | 3,270 | 3,272 | 3,272 | 3,270 | 3,283 | 3,286 | 3,278 | 3,265 | 3,258 | 3,265 | 3,280 | 6 | 0.2% | 85 | 2.7% |
| Active | 3,123 | 3,185 | 3,196 | 3,180 | 3,180 | 3,178 | 3,172 | 3,188 | 3,186 | 3,170 | 3,147 | 3,135 | 3,136 | 3,147 | (38) | -1.2% | 24 | 0.8% |
| Inactive | 72 | 89 | 88 | 90 | 92 | 94 | 98 | 95 | 100 | 108 | 118 | 123 | 129 | 133 | 44 | 49.4% | 61 | 84.7% |
| ALL BROKERS Total | 23,917 | 23,388 | 23,550 | 23,523 | 23,458 | 23,317 | 23,036 | 23,112 | 22,970 | 22,844 | 22,746 | 22,591 | 22,513 | 22,374 | (1,014) | -4.3% | (1,543) | -6.5% |
| Active | 21,203 | 20,210 | 20,326 | 20,277 | 20,150 | 20,060 | 19,745 | 19,766 | 19,574 | 19,287 | 18,960 | 18,726 | 18,704 | 18,633 | (1,577) | -7.8% | (2,570) | -12.1% |
| Inactive | 2,714 | 3,178 | 3,224 | 3,246 | 3,308 | 3,257 | 3,291 | 3,346 | 3,396 | 3,557 | 3,786 | 3,865 | 3,809 | 3,741 | 563 | 17.7% | 1,027 | 37.8% |
| Property Manager - Total | 629 | 662 | 672 | 679 | 680 | 679 | 693 | 700 | 702 | 707 | 710 | 716 | 724 | 724 | 62 | 9.4% | 95 | 15.1% |
| Active | 559 | 588 | 593 | 601 | 600 | 601 | 612 | 619 | 622 | 628 | 631 | 635 | 640 | 638 | 50 | 8.5% | 79 | 14.1% |
| Inactive | 70 | 74 | 79 | 78 | 80 | 78 | 81 | 81 | 80 | 79 | 79 | 81 | 84 | 86 | 12 | 16.2% | 16 | 22.9% |
| MCC Salesperson | 58 | 49 | 51 | 50 | 47 | 48 | 47 | 47 | 50 | 49 | 47 | 46 | 44 | 42 | (7) | -14.3% | (16) | -27.6% |
| MCC Broker | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 1 | (1) | -50.0% | (2) | -66.7% |
| TOTAL INDIVIDUALS | 24,607 | 24,101 | 24,275 | 24,254 | 24,187 | 24,046 | 23,778 | 23,861 | 23,724 | 23,602 | 23,505 | 23,354 | 23,282 | 23,141 | (960) | -4.0% | (1,466) | -6.0% |
| Active | 21,823 | 20,849 | 20,972 | 20,930 | 20,799 | 20,711 | 20,406 | 20,434 | 20,248 | 19,966 | 19,640 | 19,408 | 19,389 | 19,314 | (1,535) | -7.4% | (2,509) | -11.5% |
| Inactive | 2,784 | 3,252 | 3,303 | 3,324 | 3,388 | 3,335 | 3,372 | 3,427 | 3,476 | 3,636 | 3,865 | 3,946 | 3,893 | 3,827 | 575 | 17.7% | 1,043 | 37.5% |
| Facilities (Companies) | | | | | | | | | | | | | | | | | | |
| REMO | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | - | 0.0% | - | 0.0% |
| Registered Business Name (RBN) | 3,450 | 3,519 | 3,521 | 3,534 | 3,530 | 3,528 | 3,546 | 3,521 | 3,522 | 3,543 | 3,571 | 3,575 | 3,591 | 3,586 | 67 | 1.9% | 136 | 3.9% |
| Registered Branch Office (RBO) | 738 | 735 | 731 | 731 | 730 | 728 | 729 | 720 | 713 | 714 | 710 | 716 | 683 | 682 | (53) | -7.2% | (56) | -7.6% |
| Escrow Organization | 58 | 54 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 52 | 51 | 51 | 51 | 51 | (3) | -5.6% | (7) | -12.1% |
| Escrow Branch | 244 | 239 | 235 | 216 | 212 | 212 | 206 | 203 | 191 | 185 | 179 | 169 | 169 | 170 | (69) | -28.9% | (74) | -30.3% |
| MCC Operator | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 25 | 25 | 25 | 25 | 25 | 1 | 4.2% | 1 | 4.2% |
| TOTAL FACILITIES | 4,519 | 4,576 | 4,569 | 4,563 | 4,554 | 4,550 | 4,563 | 4,526 | 4,509 | 4,524 | 4,541 | 4,541 | 4,524 | 4,519 | (57) | -1.2% | - | 0.0% |
| TOTAL INDIVIDUALS & FACILITIES | 29,126 | 28,677 | 28,844 | 28,817 | 28,741 | 28,596 | 28,341 | 28,387 | 28,233 | 28,126 | 28,046 | 27,895 | 27,806 | 27,660 | (1,017) | -3.5% | (1,466) | -5.0% |

Oregon Real Estate Agency

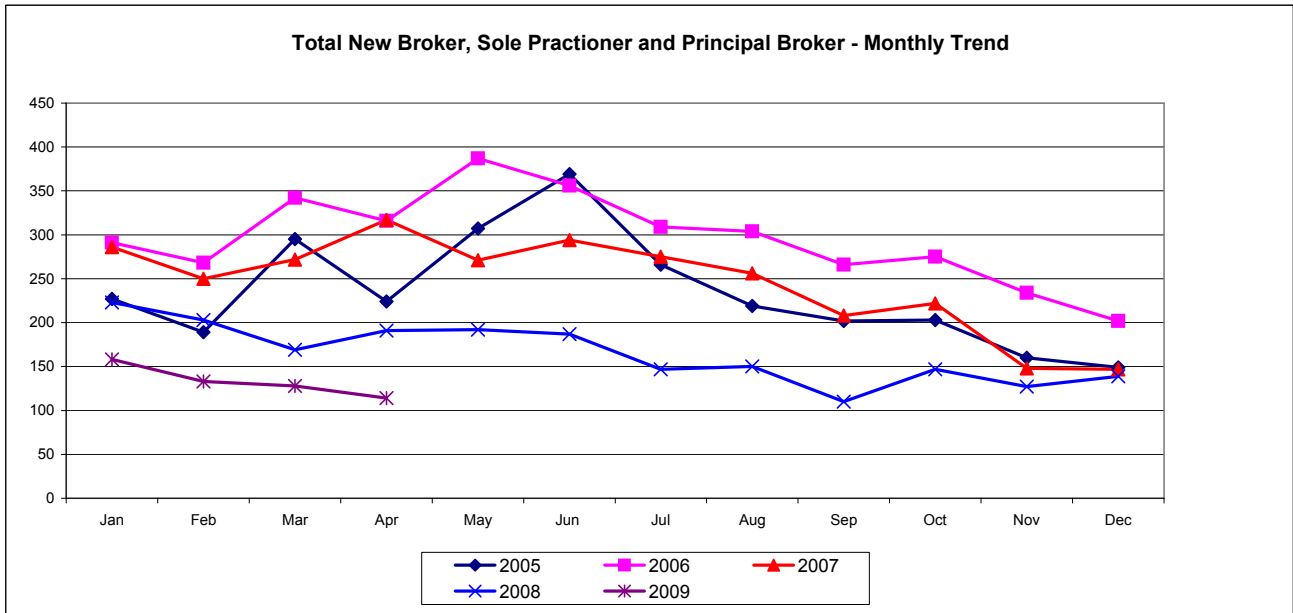
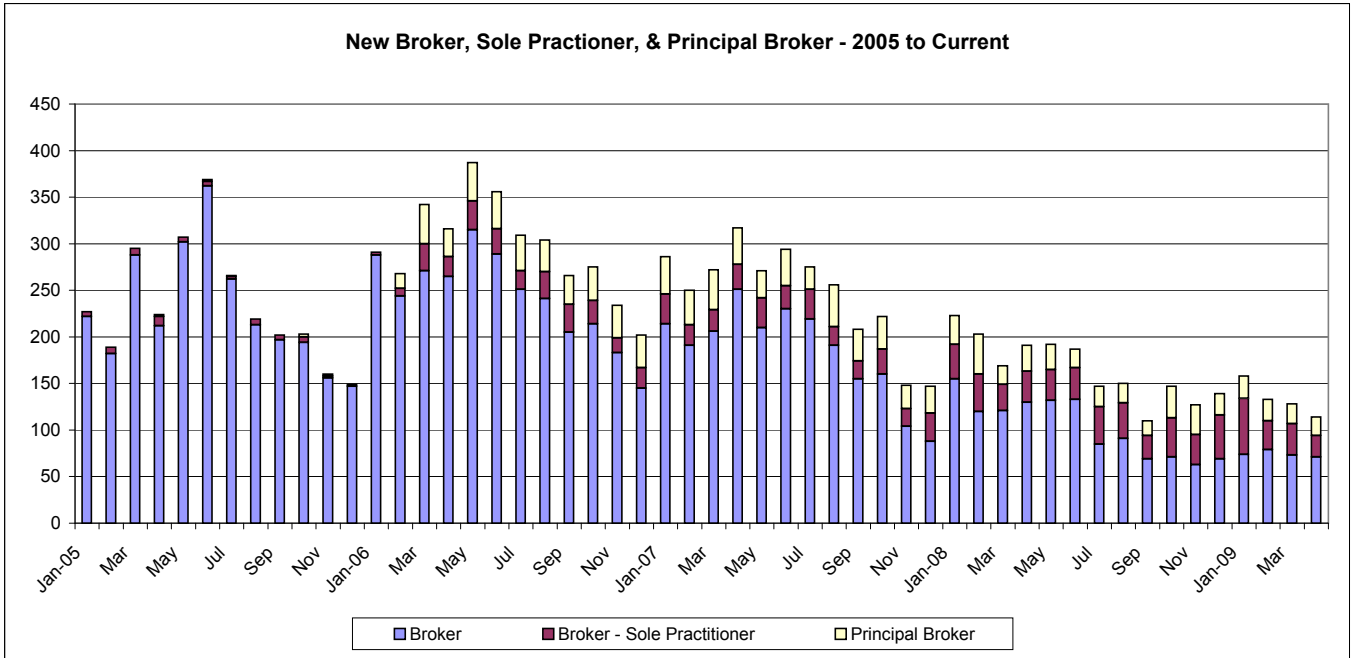
New Licensee Statistics

Source: Laurie Hall

Date: April 2009

Total New Broker, Sole Practitioner, & Principal Broker

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Average |
|---------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|---------|
| 2005 | 227 | 189 | 295 | 224 | 307 | 369 | 266 | 219 | 202 | 203 | 160 | 149 | 2810 | 234 |
| 2006 | 291 | 268 | 342 | 316 | 387 | 356 | 309 | 304 | 266 | 275 | 234 | 202 | 3550 | 296 |
| 2007 | 286 | 250 | 272 | 317 | 271 | 294 | 275 | 256 | 208 | 222 | 148 | 147 | 2946 | 246 |
| 2008 | 223 | 203 | 169 | 191 | 192 | 187 | 147 | 150 | 110 | 147 | 127 | 139 | 1985 | 165 |
| 2009 | 158 | 133 | 128 | 114 | | | | | | | | | 533 | 133 |
| Average | 237 | 209 | 270 | 262 | 289 | 302 | 249 | 232 | 197 | 212 | 167 | 159 | | |



Oregon Real Estate Agency

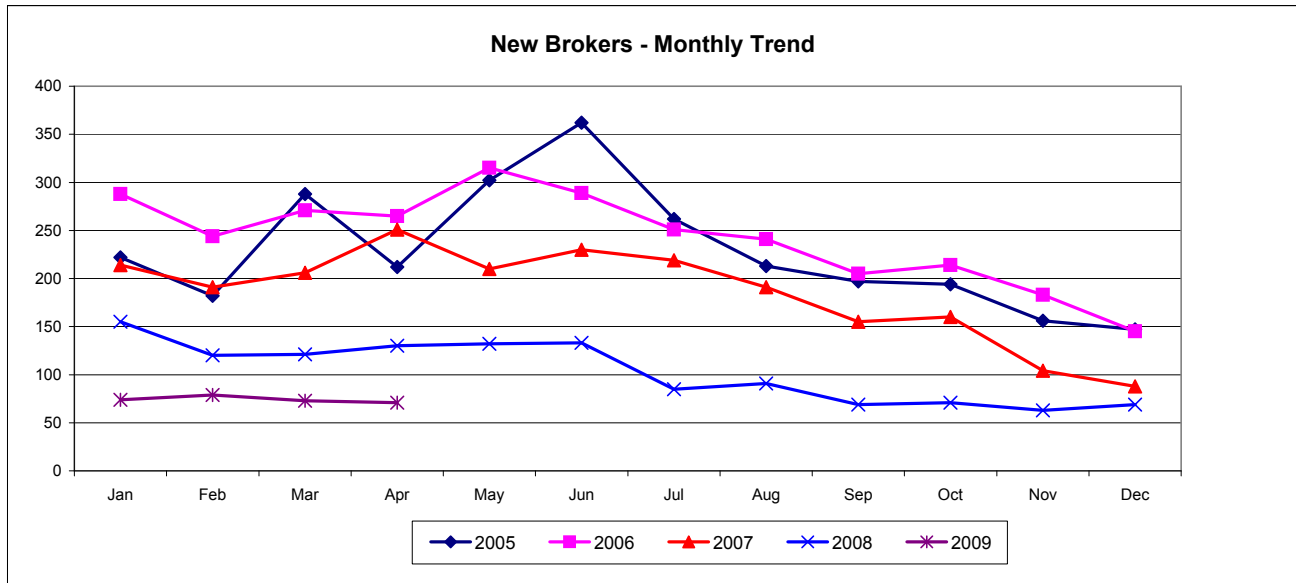
New Licensee Statistics

Source: Laurie Hall

Date: April 2009

New Broker

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Average |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|---------|
| 2005 | 222 | 182 | 288 | 212 | 302 | 362 | 262 | 213 | 197 | 194 | 156 | 147 | 2737 | 228 |
| 2006 | 288 | 244 | 271 | 265 | 315 | 289 | 251 | 241 | 205 | 214 | 183 | 145 | 2911 | 243 |
| 2007 | 214 | 191 | 206 | 251 | 210 | 230 | 219 | 191 | 155 | 160 | 104 | 88 | 2219 | 185 |
| 2008 | 155 | 120 | 121 | 130 | 132 | 133 | 85 | 91 | 69 | 71 | 63 | 69 | 1239 | 103 |
| 2009 | 74 | 79 | 73 | 71 | | | | | | | | | 297 | 74 |
| Average | 220 | 163 | 222 | 215 | 240 | 254 | 204 | 184 | 157 | 160 | 127 | 112 | | |



New Broker - Sole Practitioner

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Average |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|---------|
| 2005 | 5 | 7 | 7 | 10 | 5 | 5 | 3 | 6 | 5 | 6 | 2 | 2 | 63 | 5 |
| 2006 | 3 | 8 | 29 | 21 | 31 | 27 | 20 | 29 | 30 | 25 | 16 | 22 | 261 | 22 |
| 2007 | 32 | 22 | 23 | 27 | 32 | 25 | 32 | 20 | 19 | 27 | 19 | 30 | 308 | 26 |
| 2008 | 37 | 40 | 28 | 33 | 33 | 34 | 40 | 38 | 25 | 42 | 32 | 47 | 429 | 36 |
| 2009 | 60 | 31 | 34 | 23 | | | | | | | | | 148 | 37 |
| Average | 27 | 22 | 22 | 23 | 25 | 23 | 24 | 23 | 20 | 25 | 17 | 25 | | |

New Principal Broker

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Average |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|---------|
| 2005 | 0 | 0 | 0 | 2 | 0 | 2 | 1 | 0 | 0 | 3 | 2 | 0 | 10 | 1 |
| 2006 | 0 | 16 | 42 | 30 | 41 | 40 | 38 | 34 | 31 | 36 | 35 | 35 | 378 | 32 |
| 2007 | 40 | 37 | 43 | 39 | 29 | 39 | 24 | 45 | 34 | 35 | 25 | 29 | 419 | 35 |
| 2008 | 31 | 43 | 20 | 28 | 27 | 20 | 22 | 21 | 16 | 34 | 32 | 23 | 317 | 26 |
| 2009 | 24 | 23 | 21 | 20 | | | | | | | | | 88 | 22 |
| Average | 19 | 24 | 26 | 25 | 24 | 25 | 21 | 25 | 20 | 27 | 24 | 22 | | |

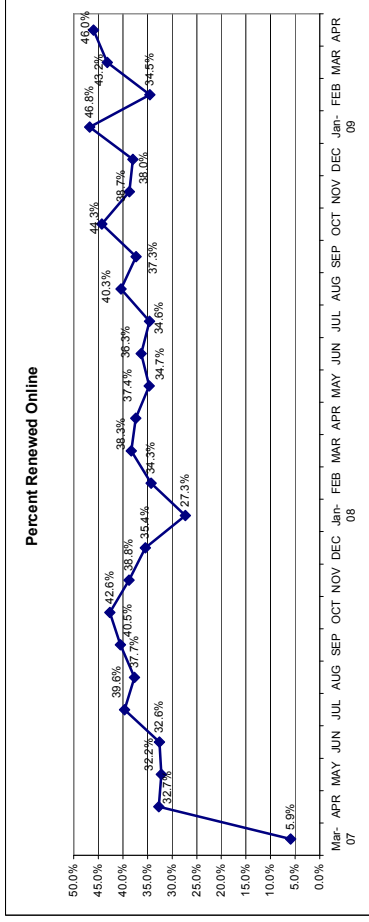
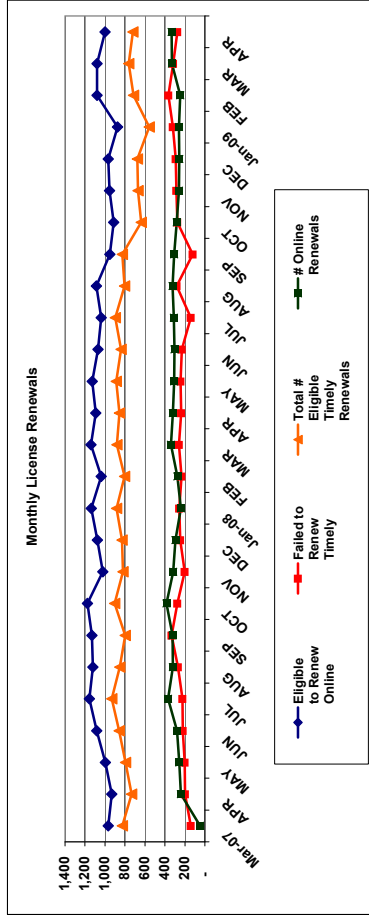
New Property Manager

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Average |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|---------|
| 2005 | 12 | 16 | 5 | 8 | 7 | 7 | 12 | 5 | 10 | 5 | 5 | 9 | 101 | 8 |
| 2006 | 6 | 5 | 7 | 7 | 12 | 12 | 3 | 10 | 12 | 10 | 7 | 4 | 95 | 8 |
| 2007 | 6 | 2 | 4 | 8 | 12 | 9 | 7 | 9 | 11 | 9 | 5 | 17 | 99 | 8 |
| 2008 | 9 | 11 | 10 | 9 | 11 | 10 | 5 | 12 | 11 | 10 | 12 | 6 | 116 | 10 |
| 2009 | 8 | 9 | 10 | 4 | | | | | | | | | 31 | 8 |
| Average | 8 | 9 | 7 | 8 | 11 | 10 | 7 | 9 | 11 | 9 | 7 | 9 | | |

Oregon Real Estate Agency
 Online Renewals Statistics
 Source: Laurie Hall
 Date: April 2009

| | 2007 | | | | | | | | | | | | 2008 | | | | | | | | | | | | | |
|--------------------------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|
| | Mar-07 | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan-08 | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan-09 | Feb | Mar | Apr |
| Eligible to Renew Online | 967 | 932 | 996 | 1,082 | 1,155 | 1,121 | 1,131 | 1,177 | 1,021 | 1,077 | 1,138 | 1,039 | 1,142 | 1,093 | 1,128 | 1,071 | 1,037 | 1,085 | 950 | 912 | 954 | 969 | 876 | 1,080 | 1,080 | 998 |
| Failed to Renew Online | 141 | 198 | 201 | 222 | 224 | 269 | 333 | 274 | 201 | 247 | 255 | 234 | 260 | 237 | 242 | 231 | 141 | 282 | 122 | 275 | 284 | 292 | 320 | 364 | 316 | 276 |
| Total # Timely Renewals | 826 | 734 | 795 | 860 | 931 | 852 | 798 | 903 | 820 | 830 | 883 | 805 | 882 | 856 | 886 | 840 | 896 | 803 | 828 | 637 | 670 | 677 | 556 | 716 | 764 | 722 |
| # Online Renewals | 49 | 240 | 256 | 280 | 369 | 321 | 323 | 385 | 318 | 264 | 241 | 276 | 338 | 320 | 307 | 305 | 310 | 324 | 282 | 259 | 257 | 260 | 247 | 330 | 332 | |
| Percent Renewed Online | 5.9% | 32.7% | 32.2% | 32.6% | 39.6% | 37.7% | 40.5% | 42.6% | 38.8% | 35.4% | 27.3% | 34.3% | 38.3% | 37.4% | 34.7% | 36.3% | 34.6% | 40.3% | 37.3% | 44.3% | 38.7% | 46.8% | 34.5% | 43.2% | 46.0% | |
| Percent Failed to Renew Online | 14.6% | 21.2% | 20.2% | 20.5% | 19.4% | 24.0% | 23.3% | 23.3% | 19.7% | 22.9% | 22.4% | 22.5% | 22.8% | 21.7% | 21.5% | 21.6% | 13.6% | 26.0% | 12.8% | 30.2% | 29.8% | 30.1% | 36.5% | 33.7% | 29.3% | 27.7% |

NOTE: Opened for online transactions 3/21/07 (no advertisement). Flyers first sent with renewal applications in April, 2007.
 NOTE: If the licensee is making a change (e.g. changing status, license category, or RBN), they may not renew online.



NOTE: Online renewals seem to be steady at about 35% to 38% - many companies do not want to have their brokers renew online because the online renewal process does not notify the principal broker or give the principal broker the opportunity to review/approve the licensee's continuing education before allowing the licensee to renew online.

Oregon Real Estate Agency

Criminal Background Check, Exam Applications and Exams Administered Statistics

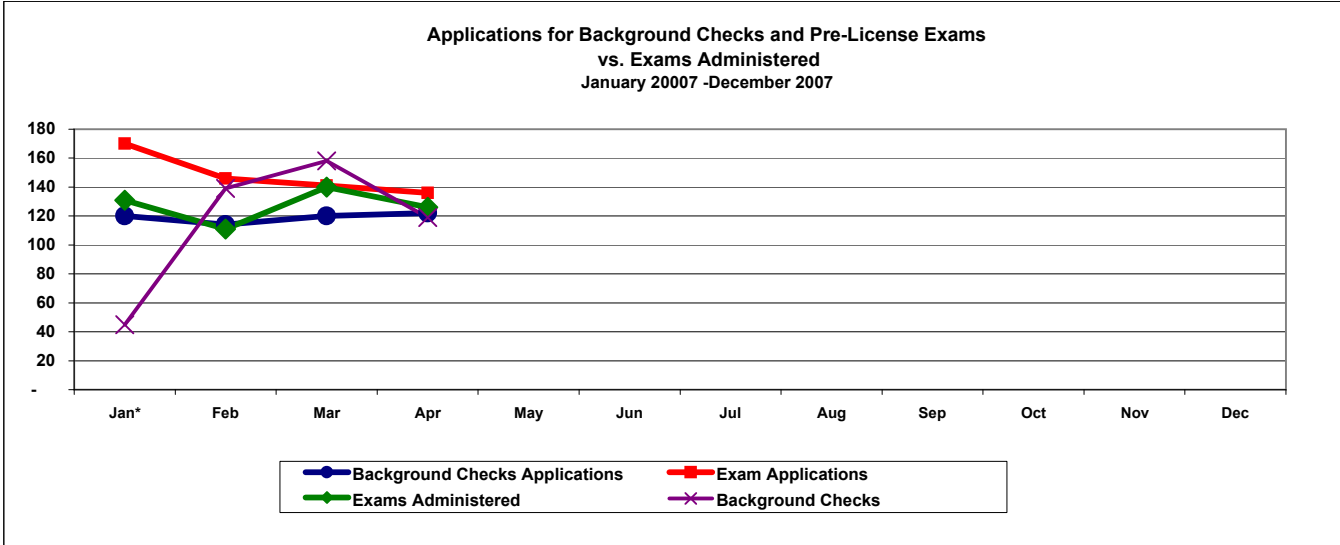
Source: Kate Nass, Laurie Hall, Mesheal Heyman

Date: April 2009

2009 Background Checks vs. Exam Applications vs. Exams Administered

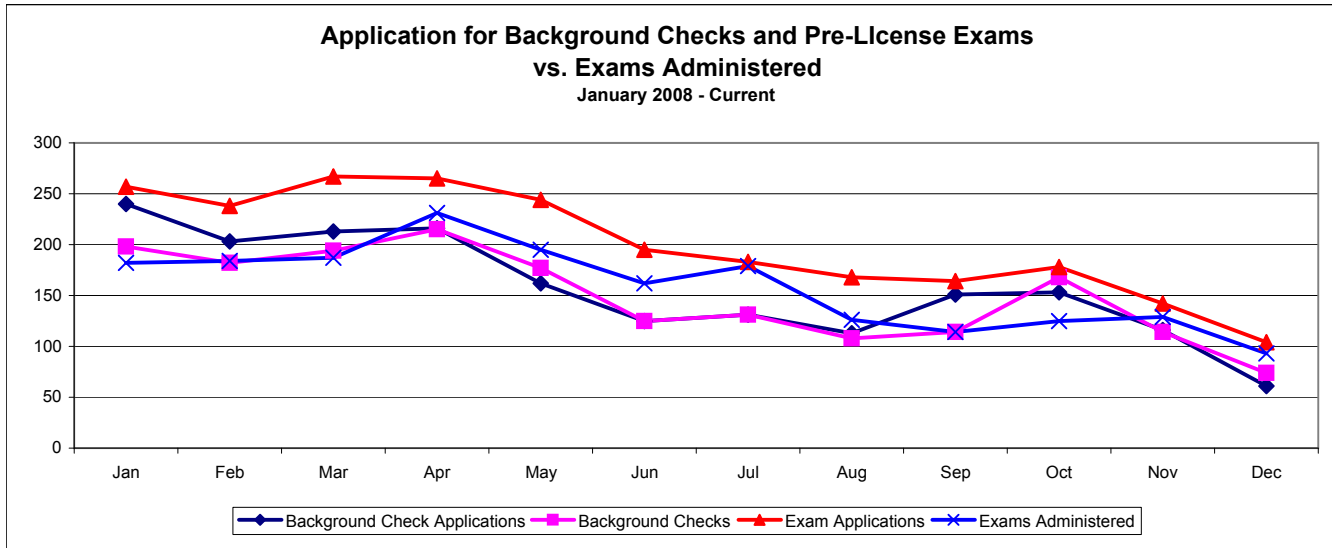
| | Jan* | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|--------------------------------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| Background Checks Applications | 120 | 114 | 120 | 122 | | | | | | | | | 476 |
| Background Checks | 45 | 139 | 158 | 119 | | | | | | | | | 461 |
| Exam Applications | 170 | 146 | 141 | 136 | | | | | | | | | 593 |
| Exams Administered | 131 | 111 | 140 | 126 | | | | | | | | | 508 |

*Jan 2009 Majority of Background Check applications received at end of month - OSP did not process until Feb.



2008 Background Checks v. Exam Applications v. Exams Administered

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|-------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| Background Check Applications | 240 | 203 | 213 | 216 | 162 | 125 | 131 | 113 | 151 | 153 | 116 | 61 | 1884 |
| Background Checks | 198 | 182 | 194 | 215 | 177 | 125 | 131 | 108 | 114 | 168 | 114 | 74 | 1800 |
| Exam Applications | 257 | 238 | 267 | 265 | 244 | 195 | 183 | 168 | 164 | 178 | 142 | 104 | 2405 |
| Exams Administered | 182 | 184 | 187 | 231 | 195 | 162 | 179 | 126 | 114 | 125 | 129 | 93 | 1907 |

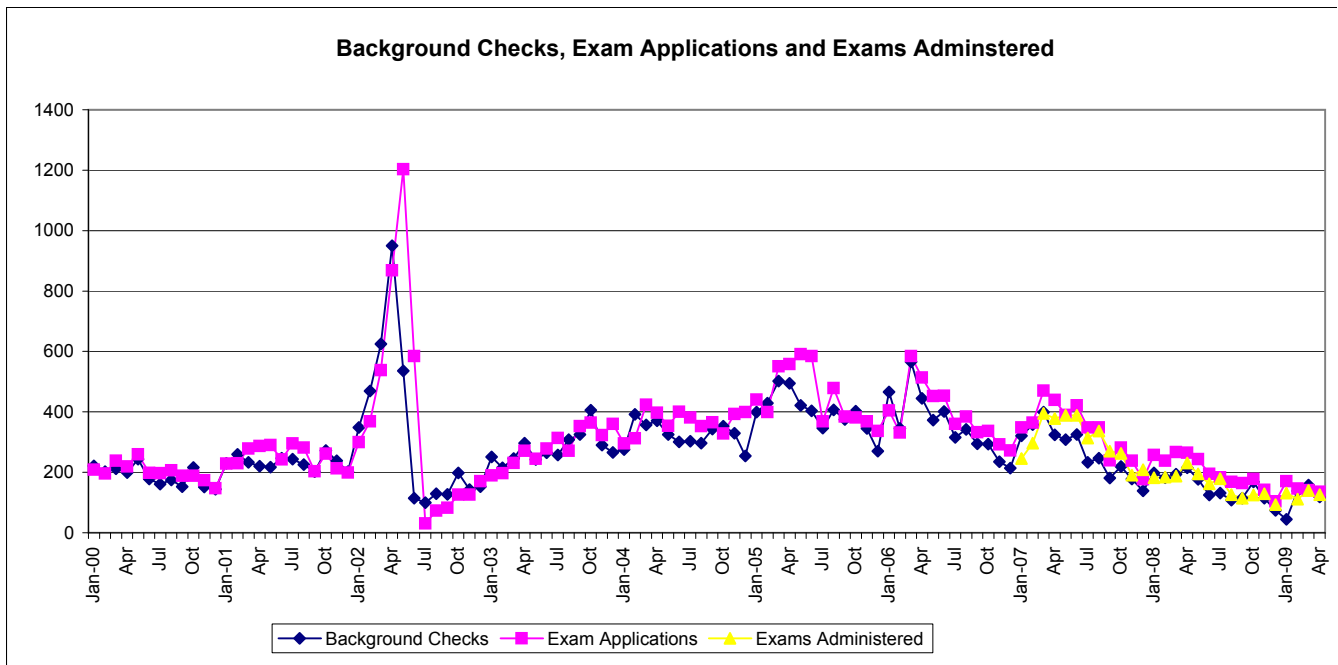


Oregon Real Estate Agency

Criminal Background Check, Exam Applications and Exams Administered Statistics

Source: Kate Nass, Laurie Hall, Mesheal Heyman

Date: April 2009



** Note: Peak in graph due to law change - must pass exam to become a broker

| 2009 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|--------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Background Check Applications | 120 | 114 | 120 | 122 | | | | | | | | | 476 |
| Background Checks | 45 | 139 | 158 | 119 | | | | | | | | | 461 |
| Exam Applications | 170 | 146 | 141 | 136 | | | | | | | | | 593 |
| Exams Administered | 131 | 111 | 140 | 126 | | | | | | | | | 508 |
| 2008 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Background Check Applications | 240 | 203 | 213 | 216 | 162 | 125 | 131 | 113 | 151 | 153 | 116 | 61 | 1884 |
| Background Checks | 198 | 182 | 194 | 215 | 177 | 125 | 131 | 108 | 114 | 168 | 114 | 74 | 1800 |
| Exam Applications | 257 | 238 | 267 | 265 | 244 | 195 | 183 | 168 | 164 | 178 | 142 | 104 | 2405 |
| Exams Administered | 182 | 184 | 187 | 231 | 195 | 162 | 179 | 126 | 114 | 125 | 129 | 93 | 1907 |
| 2007 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Background Checks | 321 | 358 | 399 | 324 | 308 | 325 | 233 | 247 | 181 | 219 | 178 | 139 | 3232 |
| Exam Applications | 348 | 364 | 470 | 439 | 390 | 422 | 348 | 348 | 239 | 282 | 238 | 177 | 4065 |
| Exams Administered | 246 | 296 | 395 | 378 | 389 | 389 | 313 | 337 | 270 | 263 | 191 | 209 | 3676 |
| 2006 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Background Checks | 466 | 345 | 566 | 445 | 373 | 401 | 316 | 342 | 294 | 293 | 235 | 214 | 4290 |
| Exam Applications | 405 | 331 | 585 | 514 | 452 | 453 | 360 | 384 | 332 | 337 | 292 | 272 | 4717 |
| 2005 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Background Checks | 399 | 429 | 502 | 495 | 421 | 404 | 346 | 407 | 375 | 402 | 345 | 270 | 4795 |
| Exam Applications | 441 | 399 | 551 | 558 | 591 | 585 | 369 | 479 | 384 | 381 | 369 | 337 | 5444 |
| 2004 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Background Checks | 275 | 392 | 357 | 371 | 325 | 301 | 303 | 297 | 343 | 353 | 329 | 254 | 3900 |
| Exam Applications | 295 | 312 | 424 | 397 | 354 | 400 | 381 | 353 | 365 | 328 | 393 | 399 | 4401 |
| 2003 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Background Checks | 251 | 215 | 246 | 296 | 242 | 265 | 257 | 308 | 325 | 406 | 290 | 266 | 3367 |
| Exam Applications | 190 | 197 | 231 | 271 | 245 | 278 | 313 | 271 | 353 | 364 | 323 | 360 | 3396 |
| 2002 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Background Checks | 348 | 469 | 625 | 950 | 536 | 114 | 100 | 129 | 127 | 198 | 143 | 152 | 3891 |
| Exam Applications | 229 | 230 | 278 | 287 | 290 | 243 | 295 | 282 | 203 | 262 | 213 | 199 | 3011 |

Oregon Real Estate Agency

Criminal Background Check, Exam Applications and Exams Administered Statistics

Source: Kate Nass, Laurie Hall, Mesheal Heyman

Date: April 2009

