

FILED September 4, 2014 (Date)

BEFORE THE IOWA REAL ESTATE COMMISSION
200 EAST GRAND, SUITE 350
DES MOINES, IOWA 50309

I.R.E.C.
Board / Commission
[Redacted]
Signature, Executive Officer

IN RE:)	
)	CASE NUMBER: 12-228
David L. Larsen)	
Broker (B05222000))	VOLUNTARY SURRENDER
)	OF BROKER LICENSE
Broker, Sole Proprietor)	THROUGH CONSENT ORDER
277 Hickory Street)	
Kalona, IA 52247)	
)	
Respondent.)	

The Iowa Real Estate Commission (Commission) and David L. Larsen (Respondent) enter into this Voluntary Surrender of Broker License through Consent Order (Order) pursuant to Iowa Code Sections 17A.10(1) and 272C.3(4) (2011).

1. The Commission issued the Respondent a real estate broker license number B05222000 on December 4, 1975. Respondent's license is current and in full force and effect through December 31, 2014. At all times relevant to this matter, the Respondent was a licensed real estate broker sole proprietor located in Kalona, Iowa.

2. The Commission has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 543B (2011). Licenses issued by the Commission are subject to the laws of the State of Iowa and to the administrative rules of the Commission.

SETTLEMENT AGREEMENT

3. On September 10, 2012, the Commission issued a Statement of Charges against the Respondent. A true and accurate copy of said Statement of Charges is attached to this Order as Exhibit 1. The Respondent, without admission of wrongdoing or guilt, does not contest the allegations recited in the attached Statement of Charges. This case shall constitute one violation for purposes of Iowa Code section 543B.29(4) (2011).

4. The Respondent acknowledges that he has a right to a hearing before the Commission on the merits of the charges. By freely and voluntarily entering into this Order, the Respondent waives his right to a hearing and all attendant rights, including the right to seek judicial review. This Order constitutes the final agency order in this contested case pursuant to Iowa Code section 17A.10 and 193 Iowa Administrative Code 7.

5. The Respondent agrees that the State's attorney and/or Commission staff may present this Order to the Commission and may have ex parte communications with the Commission while presenting it. Respondent waives any right of notice of this meeting or any right that the Respondent might have to participate in the discussion of this Order among the Commission, the Commission staff and the State's attorney.

6. The Respondent shall at all future times fully and promptly comply with all pertinent Orders of the Commission and the statutes and Commission rules regulating the practice of real estate. This Order shall be part of the permanent record of the Respondent and shall be considered by the Commission in determining the nature and severity of any future disciplinary action to be imposed in the event of any future violations of the laws and rules governing the practice of real estate by the Respondent.

7. Failure to comply with the terms of this Order shall be prima facie evidence of a violation of Iowa Code sections 543B.29(3), 543B.34(2) and 272C.3(2)(a) (2011) and shall be grounds for further disciplinary action. However, no action may be taken against the Respondent for violations of this Order without a hearing, or waiver of hearing.

8. This Order is not binding on the Iowa Real Estate Commission until it has been formally approved by a majority of the Commission members.

(a) In the event that this Order is rejected by the Commission it shall be of no force or effect to either party and it shall not be admissible for any purpose in further proceedings in this matter.

(b) If the Commission approves this Order, it shall fully dispose of all issues in this case.

9. Upon acceptance by both the Commission and Respondent, this Informal Settlement and Consent Order shall be a public record available for inspection and copying in its entirety in accordance with the requirements of Iowa Code chapter 22 (2011).

CONSENT ORDER

IT IS THEREFORE ORDERED:

10. **VOLUNTARY SURRENDER:** The Respondent voluntarily agrees to surrender his Iowa real estate broker license (B05222000) to the Iowa Real Estate Commission. Pursuant to 193E Iowa Administrative Code section 18.15(2), the duration of the Respondent's real estate broker license surrender shall be for an indefinite period of time, but shall not be less than two years. The effective date of the license surrender shall commence ninety (90) days after the date this Order is accepted by the Commission. The Respondent shall return real estate broker license number B0522000 to the Commission prior to the commencement of the license surrender.

11. SALESPERSON LICENSE: In consideration of the fact that the Respondent has fulfilled his federal criminal sentence and has been released from further court supervision, the Iowa Real Estate Commission agrees to downgrade the Respondent's real estate broker license upon its surrender to a real estate salesperson license. Following the return of his real estate broker license to the Commission, the Respondent shall be eligible to activate his license as a real estate salesperson pursuant to Iowa Code section 543B.33 immediately upon his employment by a qualifying Iowa real estate broker.

12. BROKER LICENSEE REAPPLICATION: Reinstatement of the Respondent's Iowa real estate broker license shall be governed by 193 Iowa Administrative Code section 18.5. The Respondent acknowledges that Iowa law allows the Respondent to reapply for an Iowa real estate broker license if the surrender or revocation took place two (2) years (or longer) prior to reapplication, AND that the Respondent must qualify as if he had never previously been licensed as a real estate broker in the state of Iowa, AND that reapplication may or may not be granted by the Iowa Real Estate Commission.

WHEREFORE, the terms of this Voluntary Surrender of Broker License through Consent Order is agreed to by the Iowa Real Estate Commission and the Respondent.

FOR THE RESPONDENT:

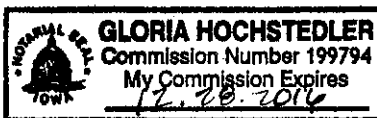
Voluntarily agreed to and accepted by David L. Larsen on this 29 day of August, 2014.

By: **DAVID L. LARSEN**, Respondent

State of Iowa

County of Washington

Signed and sworn to before me on this 29th day of August, 2014, by:



Notary Public, State of Iowa

Printed Name: Gloria Hochstedler

My Commission Expires: 12.28.2016

FOR THE COMMISSION:

5th Voluntarily agreed to and accepted by the **IOWA REAL ESTATE COMMISSION** on this
day of SEPTEMBER, 2014.



Terrance M. Duggan
TERRANCE M. DUGGAN, Chair
Iowa Real Estate Commission

BEFORE THE IOWA REAL ESTATE COMMISSION
1920 SE HULSIZER
ANKENY, IOWA

COPY

IN THE MATTER OF:)	
)	CASE NUMBER: 12-228
David L. Larsen)	
Broker (B05222))	
)	
RESPONDENT)	NOTICE OF HEARING AND
)	STATEMENT OF CHARGES
277 Hickory Street)	
Kalona, Iowa 52247)	

The Iowa Real Estate Commission ("Commission") issues this Notice of Hearing pursuant to Iowa Code Section 17A.12(2). The Commission has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 543B, and 272C (2011). Licenses issued by the Commission are subject to the laws of the State of Iowa and to the administrative rules of the Commission.

The Commission issued the Respondent real estate broker license number B05222 on December 4, 1975. Respondent's license is presently active and in full force and effect until December 31, 2014.

1. **HEARING.** A contested case hearing will be held concerning the below-stated disciplinary charges before the Iowa Real Estate Commission on the 18th day of **October, 2012**, at **9:30 o'clock AM**, at 1920 S.E. Hulsizer Road, Ankeny, Iowa.

2. **ACKNOWLEDGMENT.** The Commission requests that you file a statement to acknowledge receipt of the notice of hearing within 10 days of the date you are served with this Notice.

3. **ANSWER.** Within 20 days of the date you are served with this Notice you must file an answer to the charges as provided in 193 Iowa Administrative Code 7.9.

4. **PREHEARING CONFERENCE.** A prehearing conference will be held by telephone on the 11th day of **October, 2012** at **10:00 o'clock AM** before an Administrative Law Judge from the Iowa Department of Inspections and Appeals ("ALJ"). You are responsible for notifying the Commission office of the telephone number at which you or your counsel can be reached. Commission rules on prehearing conferences may be found at 193 Iowa Administrative Code 7.21.

5. **PRESIDING OFFICER.** The full Commission shall serve as presiding officer at hearing, pursuant to Iowa Code section 272C.6(1) and 193 Iowa Administrative Code 7.10(1). The Commission may request that an ALJ make initial rulings on prehearing matters, and be present to assist and advise the Board at hearing, as described in 193 Iowa Administrative Code 7.10(4).

6. **HEARING PROCEDURES.** Commission rules on hearing procedures may be found at 193 Iowa Administrative Code chapter 7. You have the right to respond to the charges, produce evidence on your behalf, cross-examine witnesses, and examine any documents introduced at hearing. You may appear personally and be represented by counsel at your own expense. Consult rule 193 Iowa Administrative Code 7.22 if you need to request an alternative time or date. The hearing may be open to the public or closed to the public at the discretion of the Respondent.

7. **DEFAULT.** If you fail to appear at hearing, the Commission may enter a default decision or proceed with the hearing and render a decision in your absence, in accordance with Iowa Code section 17A.12(3) and 193 Iowa Administrative Code 7.27.

8. **PROSECUTION.** Licensee disciplinary cases are prosecuted by an Assistant Attorney General acting on behalf of the public interest (the State). Copies of all pleadings shall be filed with the Commission, with copies mailed to:

John R. Lundquist
Assistant Attorney General
Iowa Department of Justice
2nd Floor, Hoover State Office Building
Des Moines, Iowa 50319
Phone: 515-281-3658
Fax: 515-281-7551
John.Lundquist@iowa.gov

9. **RESPONDENT'S COUNSEL.** Copies of all pleadings filed with the Commission shall also be provided to Respondent's counsel of record:

NONE

10. **SETTLEMENT.** The procedural rules governing the Commission's settlement process are found at 193 Iowa Administrative Code 7.42. If you are interested in pursuing settlement of this matter, please contact Assistant Attorney General John R. Lundquist.

11. **COMMUNICATIONS.** You may not contact Commission members by phone, letter, facsimile, e-mail, or in person about this Notice of Hearing and Statement of Charges.

Commission members may only receive information about the case when all parties have notice and an opportunity to participate, such as at the hearing or in pleadings you file with the Commission office and serve upon all parties in the case. You should direct any questions to Assistant Attorney General John R. Lundquist at 515-281-3658, or the Commission's Executive Officer at 515-281-7387, or Fax 515-281-7411.

STATEMENT OF CHARGES

12. The Respondent is charged with having been convicted of a felony criminal offense and/or a criminal offense involving forgery, embezzlement, obtaining money under false pretenses, theft, arson, extortion, conspiracy to defraud, or other similar offense, any offense involving moral turpitude, or other offense involving a criminal breach of fiduciary duty in a court of competent jurisdiction in this state, or in any other state, territory, or district of the United States in violation of Iowa Code section 543B.29(1)(f) (2011). See also Iowa Code sections 272C.10(5), 543B.15(3)(2011); 193E Iowa Admin. Code sections 18.2(1) & (4).

COUNT II

13. The Respondent is charged with failing to notify the Commission of his conviction of a criminal offense within ten days of the conviction in violation of Iowa Code section 543B.29(1)(f)(1) (2011). See also Iowa Code sections 543B.15(3); and 193E Iowa Administrative Code sections 18.2 and 18.14(5)(s).

COUNT III

14. The Respondent is charged with having made a false statement of material fact on a renewal application for a real estate broker's license, or causing to be submitted, or having been a party to preparing or submitting a false renewal application for a real estate broker's license in violation of Iowa Code section 543B.29(1)(b) (2011). See also Iowa Code sections 272C.10(1); 543B.15(5), 543B.34(1) & (11) (2011); and 193E Iowa Administrative Code section 3.1(3), 3.5(2), 3.6(5), 18.2 and 18.14(5)(s).

CIRCUMSTANCES

15. On or about March 16, 2010, an indictment was entered against Respondent David L. Larsen in Criminal Case Number 3:10-CR-15 in the United States District Court for the

Southern District of Iowa. The indictment charged the Respondent with four counts of willfully failing to file an income tax return in violation of 26 United States Code section 7203.

16. On or about October 22, 2010, the Respondent entered into a plea agreement to plead guilty to Count 4 of the indictment, willful failure to file a tax return for the calendar year 2006.

17. The Court entered judgment against the Respondent on or about April 25, 2011, and sentenced the Respondent to serve six months imprisonment, one year of supervised release after release from imprisonment, and a \$25 assessment to the crime victim fund.

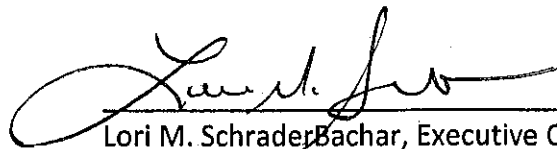
18. Willful failure to file an income tax return in violation of 26 United States Code section 7203 constitutes a criminal offense involving forgery, embezzlement, obtaining money under false pretenses, theft, arson, extortion, conspiracy to defraud, or other similar offense; an offense involving moral turpitude; and/or an offense involving a criminal breach of fiduciary duty. See Iowa Code section 543B.15(3); 193E Iowa Admin. Code section 2.1 (defining "moral turpitude").

19. The Respondent did not inform or otherwise notify the Commission of his criminal conviction within ten days of the Court's imposition of judgment on the conviction.

20. On or about December 22, 2011, the Respondent submitted to the Commission his on-line renewal application for an Iowa real estate broker's license. On the renewal application, the Respondent answered "no" to question (a) under the "Felony/Fraud/Disciplinary Action" section, inquiring if he had been convicted of a criminal offense since the date of his last license renewal.

21. Accurate and truthful attestation of one's criminal history is essential to the Commission's determination of whether an applicant meets all requirements for the grant or renewal of an Iowa real estate license. See Iowa Code sections 543B.15(3), 543B.29(1)(b) & (f) (2011). The Respondent's failure to disclose on his renewal application for an Iowa real estate broker's license his conviction for willful failure to file a tax return constituted a false statement of material fact.

This Notice of Hearing and Statement of Charges is filed and issued on the 10th day of September, 2012.



Lori M. SchraderBachar, Executive Officer
Iowa Real Estate Commission

In re: David L. Larsen, Complaint Case No. 12-228

Notice of Hearing

Page 5 of 5

Copies to:

Assistant Attorney General, John Lundquist

Respondent

Department of Inspections and Appeals, assigned Administrative Law Judge