

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

INRE:)	
)	CASE NUMBER: A08-003
Larry R. Cedarstrom)	
Broker (B03752))	
)	COMBINED STATEMENT OF
Mid-America Commercial Real Estate Co.)	CHARGES, INFORMAL
4500 Westtown Parkway, Suite 150)	SETTLEMENT AGREEMENT
West Des Moines, IA 50266)	AND CONSENT ORDER IN A
)	DISCIPLINARY CASE
Respondent.)	

The Iowa Real Estate Commission (Commission) and Larry R. Cedarstrom (Respondent) enter into this Combined Statement of Charges, Informal Settlement Agreement, and Consent Order in a Disciplinary Case (Order) pursuant to Iowa Code Sections 17A.10(1) and 272C.3(4) (2007).

1. The Commission issued the Respondent real estate broker's license number B03752 on February 15, 1962. Respondent's license is current and in full force and effect through December 31, 2009. At all times relevant to this matter, the Respondent was a licensed real estate broker officer assigned to the Mid-America Commercial Real Estate Co., a licensed real estate firm (F05108) located in West Des Moines, Iowa.

2. The Commission has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 543B (2007). Licenses issued by the Commission are subject to the laws of the State of Iowa and to the administrative rules of the Commission.

STATEMENT OF CHARGES

COUNT I

3. Respondent is charged with engaging in practices harmful or detrimental to the public in violation of Iowa Code sections 543B.29(3), 543B.29(10), 543B.34, and 543B.46 (2007) by:

- (a) Failing to maintain at all times a record of the Respondent's trust account. See 193E Iowa Admin. Code §13.1(6).
- (b) Failing to maintain the general ledger, individual ledgers, and bank reconciliation to reflect accurate current balances. See 193E Iowa Admin. Code §§ 13.1(6), 18.14(5)(e).

- (c) Failing to conduct and/or document monthly reconciliation on a written worksheet to ensure the agreement of the general ledger balance, reconciled bank balance, and individual ledger totals. See 193E Iowa Admin. Code §§ 13.1(6)(a)(3), 18.14(5)(e).

CIRCUMSTANCES

4. On or about February 28, 2008, an audit of the Respondent's trust account and records was conducted.

5. The auditor found that the Respondent was not maintaining individual ledgers for real estate transactions.

6. The auditor found the Respondent is not performing a monthly reconciliation on a written worksheet to document and ensure agreement of the general ledger balance, individual ledgers, and reconciled bank balance ("three-way tie" is not being completed and documented).

7. The auditor found a variance between the total of the individual ledgers, the general ledger balance, and the reconciled bank balance. The total of the general ledger balance and the reconciled bank balance total are both \$35,058.04 more than the total of the individual ledgers to create \$35,058.04 of "unidentified funds" in the trust account.

SETTLEMENT AGREEMENT

8. Respondent admits each and every allegation in the above-stated Statement of Charges.

9. Respondent acknowledges that he has a right to receive notice of the above-stated charges and to request 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 notice and a hearing and all attendant rights, including the right to seek judicial review. This Order constitutes discipline against the Respondent, and is the final agency order in this contested case pursuant to Iowa Code section 17A.10 and 193 Iowa Administrative Code 7.4.

10. 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.

11. This Order shall be part of the permanent record of 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.

12. 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) (2007) 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.

13. 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.

14. Upon acceptance by both the Commission and Respondent, this Combined Statement of Charges, 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 (2007).

CONSENT ORDER

IT IS THEREFORE ORDERED:

15. REPRIMAND. Pursuant to 193E Iowa Administrative Code section *18.14(1)0*, the Respondent is reprimanded.

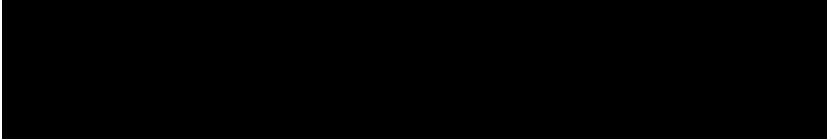
16. CIVIL PENALTY. The Respondent shall pay a civil penalty to the Commission in the amount of \$1000 no later than 30 calendar days after acceptance of this Order by the Commission. The civil penalty must come under a cover letter addressed to the Commission's Executive Officer and refer to case A08-003.

17. FUTURE COMPLIANCE. The Respondent also 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.

WHEREFORE, the terms of this Combined Statement of Charges, Informal Settlement Agreement, and Consent Order are agreed to and accepted by the Iowa Real Estate Commission and the Respondent.

FOR THE RESPONDENT:

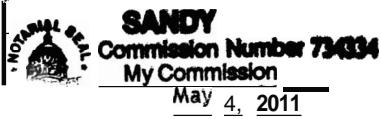
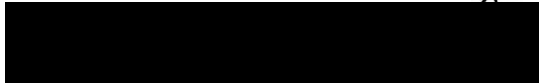
Voluntarily agreed to and accepted by **Larry R. Cedarstrom** on this 21st day of July, 2008.



LARRY R. CEDARSTROM, Respondent

State of Iowa)
County of EOICK)

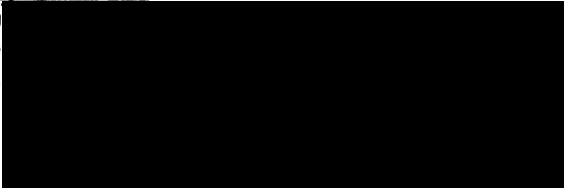
Signed and sworn to before me on this 21st day of July, 2008, by



Notary Public, State of Iowa
Printed Name: Sandy Jenniges
My Commission Expires: MAY 4, 2011

FOR THE COMMISSION:

Voluntarily agreed to and accepted by the **IOWA REAL ESTATE COMMISSION** on this 24 day of July, 2008.



JAMES E. HUGHES, Ch...
Iowa Real Estate Commission