

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

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IN RE:	)	
	)	
	)	CASE NUMBER 05-037
JOHN T. SCHUTTE	)	
Broker (B39157)	)	STIPULATION
	)	AND
FARM & HOME REALTY, INC. (F4996)	)	ORDER
1010 WEST 5 <sup>TH</sup> STREET	)	
CANTON, SOUTH DAKOTA 57013	)	
	)	

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On this 14<sup>th</sup> day of DECEMBER, 2005, the Iowa Real Estate Commission and JOHN T. SCHUTTE, each hereby agree with the other and stipulate as follows:

1. The allegations specified in the Statement of Charges in this case shall be resolved without proceeding to hearing, as the parties have agreed to the following Stipulation and Consent Order.
  
2. The Respondent has a right to a hearing on the charges, but waives the right to hearing and all attendant rights, including the right to appeal, by freely and voluntarily agreeing to this Order. Once entered, this Order shall have the force and effect of a disciplinary order entered following a contested case hearing.
  
3. The Respondent was issued a real broker license on November 18, 1998, which is in full force and effect through December 31, 2007.
  
4. The Iowa Real Estate Commission has jurisdiction over the parties and subject matter jurisdiction over each allegation in the Statement of Charges.
  
5. A Statement of Charges will be filed against Respondent together with this voluntary Stipulation and Consent Order.
  
6. Respondent admits each and every allegation in the Statement of Charges.
  
7. If this Stipulation and Consent Order is approved by the Commission it will be filed, along with the Statement of Charges, and upon filing both documents will become public records.

8. This Stipulation and Consent Order shall be made a part of the record of the Respondent and may be considered by the Commission in determining the nature and severity of any disciplinary action to be imposed on the Respondent for any future violations of the laws and rules governing the practice of real estate.

9. Failure to comply with the terms of this Stipulation and Consent Order shall be prima facie evidence of a violation of Iowa Code sections 543B.29(3), 543B.34(2) and 272C.3(2)(a) (2005).

10. This Stipulation and Consent Order shall be presented to the Commission in closed session by the prosecuting attorney and/or Commission staff. Respondent waives any right of notice of this meeting or any right which the Respondent might have to participate in the discussion of this Stipulation and Consent Order among the Commission, the Commission staff and the prosecuting attorney.

11. This Stipulation and Consent Order is not binding on the Iowa Real Estate Commission until it has been formally approved by a majority of the Commission members. In the event that this Stipulation and Consent Order is rejected by the Commission it shall be of no force or effect to either party.

**THEREFORE IT IS ORDERED** that the Respondent is **Reprimanded**.

**IT IS FURTHER ORDERED** that the Respondent shall pay a civil penalty to the Commission in the amount of \$ 2,500 no later than 30 calendar days after acceptance of this settlement by the Commission. The civil penalty must come under a cover letter addressed to the Commission's Executive Officer and refer to case 05-037.

**IT IS FURTHER ORDERED AND AGREED** that at all future times Respondent shall fully and promptly comply with all pertinent Orders of the Commission and the statutes and Commission rules regulating the practice of real estate

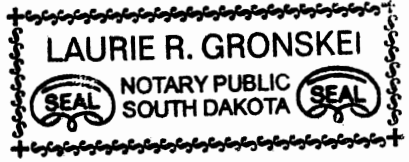
**FOR THE RESPONDENT:**


This Stipulation and Consent Order is voluntarily entered into by **JOHN T. SCHUTTE** on this 7<sup>th</sup> day of November, 2005.

  
\_\_\_\_\_  
**JOHN T. SCHUTTE**, Respondent

State of South Dakota  
County of Lincoln


Signed and sworn to before me on this 7<sup>th</sup> day of November, 2005, by



  
\_\_\_\_\_  
Notary Public, State of ~~Iowa~~ South Dakota  
Printed Name: Laurie R. Gronskei  
My Commission Expires: 4-29-2010

**FOR THE COMMISSION:**

This Stipulation and Consent Order is accepted by the Iowa Real Estate Commission on this 14<sup>th</sup> day of DECEMBER, 2005.

  
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**James E. Hughes**, Chair  
Iowa Real Estate Commission

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**IN RE:**

**JOHN T. SCHUTTE**  
**Broker (B39157)**  
**Farm & Home Realty, Inc. (F4996)**  
**1010 WEST 5<sup>TH</sup> STREET**  
**CANTON, SOUTH DAKOTA 57013**

**CASE NUMBER 05-037**

**STATEMENT  
OF  
CHARGES**

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The Iowa Real Estate Commission has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 543B, and 272C (2004).

Licenses issued by the Commission are subject to the laws of the state of Iowa and to the administrative rules of the Commission.

**JOHN T. SCHUTTE** was at all material times, during the following events, a licensed Broker Officer and designated broker in charge of Farm & Home Realty, Inc. a licensed real estate firm, license number F4996, in Canton, South Dakota. His license, number B39157 was issued November 18, 1998 and is in full force and effect through 12-31-2007.

**COUNT I**

The Respondent is charged with engaging in practices harmful or detrimental to the public and making substantial misrepresentation, by failing to diligently exercise reasonable care in providing brokerage services to all parties, and by knowingly allowing a person not licensed in Iowa to conduct real estate business in Iowa on behalf of the brokerage, in violation of Iowa Code sections 543B.29(3)(practice harmful or detrimental to the public) 543B.34(1), 543B.56(1)(a) & (b), 543B.56(2)(a), (2004), and 193E IAC 12.4(1)(b) & (c), 18.14(5)(s).

**COUNT II**

The Respondent is charged with knowingly paying a commission to a person who is not licensed in Iowa for performing acts in Iowa that require an Iowa real estate license, in violation of Iowa Code sections 543B.34(9a) (2004) and IAC 193E—7.12(3) and 18.14(5)(s).

### CIRCUMSTANCES OF THE COMPLAINT

1. Respondent is broker officer and designated broker in charge of Farm & Home Realty, Inc, a licensed real estate firm, license number F04996, in Canton, South Dakota. Respondent is also a licensed real estate broker in South Dakota.

2. Woodrow E. Houser, II, is a person and the subject of a connecting non-licensed complaint, case number 05-036. Houser is a licensed broker associate in South Dakota and assigned to Respondent's firm.

3. At various points in time between September and October 2004, Houser, acting as agent for the buyer, engaged in real estate activities in Iowa that require an active real estate license. Houser is not licensed in Iowa under Iowa Code chapter 543B and as such he is not authorized to practice real estate in the State of Iowa.


4. Respondent, as broker in charge, permitted Houser to conduct real estate activities in Iowa, knowing he was not licensed in Iowa.

5. In September 2004, Houser, acting as agent for the buyer, showed them properties listed in South Dakota and Iowa. On or about October 1, 2004, he drafted and presented the offer on a Larchwood, Iowa, property, and handled negotiations on behalf of the buyer. The offer was accepted and the transaction closed. The Respondent paid Houser a commission on the sale.

### FINDING OF PROBABLE CAUSE

On September 8, 2005 the Iowa Real Estate Commission found probable cause to file this Statement of Charges and to order that a hearing be set in this case.

Executed this 14<sup>th</sup> day of DECEMBER, 2005.

  
Roger L. Hansen, Executive Officer  
Iowa Real Estate Commission