

BEFORE THE IOWA REAL ESTATE COMMISSION
1918 SE HULSIZER
ANKENY, IOWA

IN RE:)	
)	
LEON G. Mc COY)	CASE NUMBER: A96-175
Broker (B01798))	
)	STATEMENT OF CHARGES
Clair Clark Real Estate)	
220 Central Avenue)	
Estherville, Iowa 51334-2237)	

The Iowa Real Estate Commission has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 543B, and 272C (1997).

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

LEON G. Mc COY is and was at all times during the following events, a licensed sole-proprietor real estate broker in Estherville, Iowa. His license number is B01798.

COUNT I

The Respondent is charged with failing to do monthly written reconciliation of the general ledger balance with the bank balance and with the individual ledger accounts to ensure agreement, and with having \$750.02 in unidentified funds in the trust account, in violation of Iowa Code sections 543B.29(3), 543B.34(8), and 543B.46(4) (1995) and 193E IAC sections 1.27(1)(c), 1.27(6)(3), 4.40(5), and 4.40(6)(h).

COUNT II

The Respondent is charged with depositing property management trust funds directly into an operating account maintained for more than one owner, in violation of Iowa Code section 543B.46(3) and 543B.29(2) (1995) and 193E IAC 1.27(1), 1.27(5)(d), and 4.40(6)(a).

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COUNT III

The Respondent is charged with managing property with inadequate property management agreements, failing to retain buyer's closing statements in the transaction file, writing a listing contract with no expiration date, and depositing an earnest money deposit fifteen (15) days late, in violation of Iowa Code section 543B.29(3) (1997) and 193E IAC sections 1.27(1)(a), 1.30(1), 1.23, 4.40(5) and (6).

CIRCUMSTANCES OF THE COMPLAINT

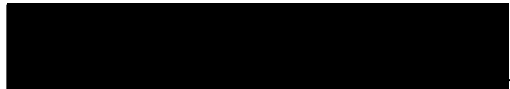
1. On February 5, 1997, Iowa Real Estate Commission Field Auditor J. Michael Sharp, examined the trust account records of Leon G. Mc Coy.
2. Audit found the general ledger and the individual ledgers were not current.
3. Audit found a monthly written reconciliation worksheet was not being done to ensure agreement between the bank balance, general ledger, and the individual ledgers.
4. Audit found unidentified funds in the amount of \$ 750.02.
5. Audit found property management trust funds collected were deposited directly into a non-trust account property management operating account maintained for more than one owner.
6. Audit found all property management agreements were inadequate, no buyer's closing statements were retained in the transaction files, the listing in the Johnson/Muller transaction did not have an expiration date, and the earnest money deposit made fifteen (15) days late.
7. On February 24, 1997, the Respondent filed a "Consent to Examine and Audit Trust Account" for the property management account.

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FINDING OF PROBABLE CAUSE

On April 17, 1997 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 5th day of JUNE, 1997.



Roger L. Hansen, Executive Secretary
Iowa Real Estate Commission

cc. Pam Griebel, Assistant Attorney General

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BEFORE THE IOWA REAL ESTATE COMMISSION
1918 SE HULSIZER
ANKENY, IOWA

IN RE:)	
)	
LEON G. Mc COY (B01798))	CASE NUMBER: A96-175
Broker)	
)	STIPULATION AND
)	CONSENT ORDER
Clair Clark Real Estate)	
220 Central Avenue)	
Estherville, Iowa 51334-2141)	
)	

On this 5th day of JUNE, 1997, the Iowa Real Estate Commission and LEON G. Mc COY, 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 was issued a broker license to practice real estate on July 3, 1963, as evidenced by license number B01798, which is in full force and effect through December 31, 1998.
3. The Iowa Real Estate Commission has jurisdiction over the parties and subject matter jurisdiction over each allegation in the Statement of Charges.
4. A Statement of Charges will be filed against Respondent together with this voluntary Stipulation and Consent Order.
5. Respondent does not admit to all allegations in the Statement of Charges, but agrees upon hearing the Commission could find one or more violations of law or Commission regulations.
6. 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.

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7. 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.

8. 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) (1997).

9. 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.

10. 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 HEREBY ORDERED that the Respondent is Reprimanded.

IT IS FURTHER ORDERED that Respondent shall take eight (8) hours of real estate continuing education in "Iowa Real Estate Trust Accounts," the course must be approved as a "Broker Pre-License Course." These hours shall be in addition to all other real estate continuing education required by law for license renewal. Original certificate of attendance must be submitted to the Iowa Real Estate Commission within thirteen (13) months of the signing of this agreement by the Commission. The certificate of attendance must come under a cover letter addressed to the Commission's Executive Secretary and must refer to case A96-175.

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 the Respondent on this 19 day of May, 1997.

[Redacted Signature]

LEON G. Mc COY, Respondent

State of IOWA)

County of EMMET)

Signed and sworn to before me on this 19TH day of MAY, 1997, by

[Redacted Signature]

Notary Public, State of Iowa

Printed Name: Kathryn M. Holmgren

My Commission Expires: 5-7-99

FOR THE COMMISSION:

This Stipulation and Consent Order is accepted by the Iowa Real Estate Commission on the 5TH day of JUNE, 1997.

[Redacted Signature]

~~RUSSELL RADING, Chair~~
Iowa Real Estate Commission

TERRY W. ROGERS
VICE CHAIR

cc: Pam Griebel, Assistant Attorney General