

BEFORE THE IOWA REAL ESTATE COMMISSION
1918 S.E. HULSIZER
ANKENY, IOWA

IN RE:)	CASE NUMBER: 90-078
)	
Ralph Zegarac (B16802))	
Broker-Associate)	
)	INFORMAL SETTLEMENT
3527 Pheasant Lane)	
Waterloo, Iowa 50701)	

Pursuant to Iowa Code Section 17A.10(1991) and 193E Iowa Administrative Code Section 4.12(117), this Informal Settlement is entered into between Ralph Zegarac and the Iowa Real Estate Commission (Commission). The parties agree as follows:

STIPULATED STATEMENT OF FACTS

1. The Commission has jurisdiction of this matter under Iowa Code Chapters 17A, 117, and 258A(1991) as well as the administrative rules found in Chapter 193E of the Iowa Administrative Code.
2. Ralph Zegarac is, and was at all times during the following events, a licensed Real Estate Broker. His license number is B16802.
3. Ralph Zegarac is licensed as a Broker-Associate with Chapman and Associates, Waterloo, Iowa.
4. Ralph Zegarac entered into a verbal agreement with Cecil J. Pollock to manage a Mobile Home Court owned by Mr. Pollock.
5. Ralph Zegarac collected rents and deposited these funds directly into a bank account for Mr. Pollock.
6. Ralph Zegarac was paid compensation to manage the Mobile Home Court directly from Mr. Pollock's bank account.

7. Iowa Code Section 117.34(5) states:

Accepting a commission or valuable consideration as a real estate broker associate or salesperson for the performance of any of the acts specified in this chapter, from any person, except the broker associate's or salesperson's employer, who must be a licensed real estate broker. However, a broker associate or salesperson may, without violating this subsection, accept a commission or valuable consideration from a corporation which is wholly owned, or owned with a spouse, by the broker associate or salesperson if the conditions described in subsection 9 are met.

8. Iowa Administrative Code Section 193E--1.27(117) states:

Trust account. Earnest payments, rents collected, property management funds, and other trust funds received by the broker shall be deposited in an identified "trust" account in a bank, savings and loan association, savings bank, or credit union located in Iowa. A broker shall maintain in the broker's office a general ledger for the trust account and an account ledger for each account or transaction which shall provide a complete record of all moneys received on real estate transactions, rents, and management funds, including the sources of the money, the date of receipt, depository, and date of deposit; and when a transaction has been completed, the final disposition of the moneys. The notification to the commission of the name, depository, and address of the broker's trust account shall include the account number.

9. Iowa Administrative Code Section 193E--4.40(117) states:

Violations for which civil penalties may be imposed.

4.40(6) Improper trust account and closing procedures:

1. Failing as a salesperson or broker associate to immediately turn funds over to the broker.

AGREED ORDER

By agreement it is therefore ORDERED, ADJUDGED, and DECREED by the Iowa Real Estate Commission as follows:

1. Ralph Zegarac has the right to a hearing on this matter, but waives his right to a hearing and all attendant rights by freely entering into this Informal Settlement.

2. By failing to deposit rents collected into his Broker's trust account, Ralph Zegarac violated Iowa Administrative Code Sections 193E--1.27(117) and 4.40(117)(6)i.

3. By accepting compensation directly from Cecil J. Pollock, Ralph Zegarac violated Iowa Code Section 117.34(5).

4. Ralph Zegarac shall take twelve (12) hours of real estate continuing education in "Trust Account and Closing Procedures". This course must be approved as a "Broker Pre-license Course". [(See 3.2(3)(117)]. These hours shall be in addition to all other real estate continuing education required by law for license renewal. Proof of compliances must be submitted to the Iowa Real Estate Commission within thirteen (13) months of the signing of this Informal Settlement by the Commission. The Certificate of Attendance must come under a cover letter addressed to the Commission's Executive Secretary and must be referred to as case number 90-78.

4. Ralph Zegarac agrees that all trust funds received will be turned over to his broker for deposit into the broker's trust account.

5. Ralph Zegarac agrees to accept compensation from his employing broker only regarding real estate transactions.

6. This Informal Settlement shall be made part of the permanent record of Ralph Zegarac and shall be considered by the Commission in determining the nature and severity of the disciplinary action to be imposed for any future license law violations by the broker.

7. Failure to comply with the provisions of this agreed order shall be considered prima facie evidence of a violation of Iowa Code Sections 117.29(3) and 117.34(2)(1991). However, no action may be taken against any licensee without a hearing as provided for in Iowa Code Section 117.35(1991).

8. The within settlement is subject to the approval of the Commission and if the Commission fails to approve this settlement, it shall be of no force or effect on either the Commission or the licensee, and it shall not be admissible for any purposes at any further proceedings in this matter.

FOR THE BROKER:

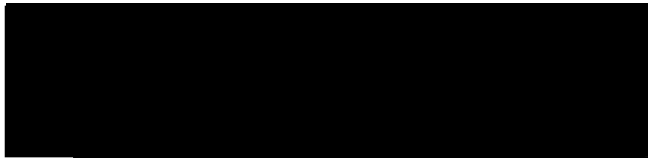
Dated this 9 day of JANUARY, 1992.



Ralph Zegarac

Signed and sworn to before me this 9 day of

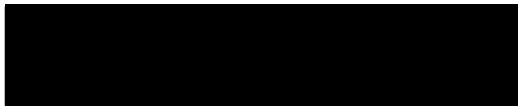
January, 1992.



Notary Public, State of Iowa

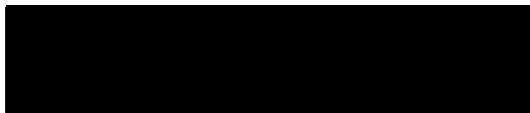
FOR THE COMMISSION:

Signed this 16th day of JANUARY, 1992.



Jerry F. Duggan, Chairperson

Executed this 16th day of JANUARY, 1992.



Roger L. Hansen
Executive Secretary