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

IN THE MATTER OF:	)	Case No. 10-403
Develle Warren 11	)	
Donald L. Krommendyk	)	
Broker (B34775)	)	
	)	COMBINED STATEMENT OF
Team Realty Services, Inc.	)	CHARGES, INFORMAL
1218 S. Main Street	)	SETTLEMENT AGREEMENT
Sioux Center, Iowa 51250-0056	)	AND CONSENT ORDER IN A
	)	DISCIPLINARY CASE
Respondent		
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The Iowa Real Estate Commission (Commission) and **Donald L. Krommendyk** (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) (2009).

- 1. The Commission issued the Respondent real estate broker license number (B34775) on June 5, 2000. Respondent's license is current and in full force and effect through December 31, 2011. At all times relevant to this matter, the Respondent was a licensed real estate broker associate, assigned to Team Realty Services, Inc, a licensed real estate firm, license number (F03552) located in Sioux Center, Iowa.
- 2. The Commission has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 543B (2009). 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, and failing to diligently exercise reasonable skill and care in providing brokerage services to all parties in violation of Iowa Code section 543B.29(1)(c), 543B.34(11), 543B56(1)(a) & (b)(2009) by failing to disclose a material adverse fact unknown to a party to a transaction. See also Iowa Code §§ 543B.34(1), 543B.34(8), 543B.34(11); 558A.6(1) (2009); and 193E Iowa Admin. Code §§ 12.3(2), 14.1, 14.(1)(5), 18.2(1), and 18.14(5)(s).

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#### Circumstances

- 4. On November 11, 2009, the Respondent initiated a Listing Agreement for the property located at 543-12<sup>th</sup> Street Cr. SE, Sioux Center, Iowa.
- 5. During the valid term of Listing Agreement, the property was owned and occupied by the Respondent's son and daughter-in-law. Disclosure of the relationship between the Respondent and owner of the property was noted on the Seller Property Disclosure form.
- 6. During the valid term of the Listing Agreement, the property damage resulted from water intrusion into the basement of the property.
- 7. The Respondent, being aware of the damage resulting from the intrusion of water into the basement, failed to amend the Seller Property Disclosure form which as a result of the damage had become inaccurate.

## **Settlement Agreement**

- 8. Respondent without admission of wrongdoing or guilt agrees to resolve the allegation with an Informal Settlement Agreement.
- 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 attended rights, including the right to seek judicial review. The 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 Admin 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 may 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 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.
- 12. Failure to comply with the terms of this Order shall be prime facie evidence of a violation of Iowa Code sections 543B.29(3), 543B.34(2) and 272C.3(2)(a)(2009) and shall be grounds for further disciplinary action. However, no

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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 the Respondent, this Combined Statement of Charges, Informal Settlement and Consent Order shall be made a public record available for inspection and copying in its entirety in accordance of Iowa Code chapter 212 (2009).

## **Consent Order**

- 15. <u>CIVIL PENALTY</u>. The Respondent shall pay a civil penalty to the Commission in the amount of \$1,000 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 10-403
- 16. <u>FUTURE COMPLIANCE</u>. Respondent agrees that at all future times she shall 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 **Donald L. Krommendyk** on this day of <u>December</u> 29 2010, 2010.

By: DONALD L. KROMMENDYK, Respondent

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State of Jour ) County of Siour	
Signed and sworn to before me on this	IA 13

## FOR THE COMMISSION:

Voluntarily agreed to and accepted by the  ${f IOWA\ REAL\ ESTATE}$ 

COMMISSION on this 24 day of FEBRUARY, 2011.

LAURIE DAWLEY, Chair

Iowa Real Estate Commission