

FILED October 1, 2015 (Date)

BEFORE THE IOWA REAL ESTATE COMMISSION  
200 EAST GRAND, SUITE 350  
DES MOINES, IOWA 50309

JRC  
Board / Commission  
[Signature]  
Signature, Executive Officer

IN RE:	)	
	)	CASE NUMBER: 13-174
Kay Hanson	)	
Salesperson (S58681000)	)	COMBINED STATEMENT OF
INACTIVE	)	CHARGES, INFORMAL
	)	SETTLEMENT AGREEMENT,
1288 260 <sup>th</sup> Avenue	)	AND CONSENT ORDER IN A
Spirit Lake, IA 51360	)	DISCIPLINARY CASE
	)	
RESPONDENT	)	

The Iowa Real Estate Commission (Commission) and **Kay Hanson** (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) (2015).

1. The Commission issued the Respondent real estate salesperson license number S58681000 on June 20, 2007. Respondent's license is current and in full force and effect through December 31, 2015. At all times relevant to this matter, the Respondent was a licensed real estate salesperson assigned to Benjamin W. Sexton, a licensed sole-proprietor broker, license number B43939000, located in Spirit Lake, Iowa. The Respondent's license was placed on inactive status on August 28, 2015.

2. The Commission has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 543B (2015). 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. The Respondent is charged with engaging in practices harmful or detrimental to the public, failing to provide brokerage services to all parties honestly and in good faith, and failing to diligently exercise reasonable skill and care in providing brokerage services to all parties to a transaction in violation of Iowa Code sections 543B.29(1)(c), 543B.29(1)(d), 543B.34(1)(d), 543B.56(1)(a), 543B.56(1)(b), 543B.58 (2013) and 193E Iowa Administrative Code sections 12.2(9), 12.5(1)(a), 18.14(5)(s) by failing to obtain the written consent of both the buyer and the seller before acting as a dual agent in a real estate transaction.

### CIRCUMSTANCES

4. From the time period of June 20, 2007 through June 11, 2013 the Respondent was a licensed real estate salesperson assigned to William C. Sexton, a licensed sole-proprietor broker, license number B02535000, located in Spirit Lake, Iowa.

5. On or about September 11, 2011 a licensee assigned to William C. Sexton, licensed sole-proprietor broker, entered into a listing agreement for a construction property located in Spirit Lake, Iowa on behalf of his broker. The listing agreement was set to expire on May 30, 2012. Commission licensing records indicate the aforementioned licensee transferred to another licensed Iowa real estate broker on December 27, 2011.

6. On or about September 20, 2011, the Respondent entered into a "Buyer Exclusive Agency Agreement" with a potential buyer of the subject property.

7. On or about October 3, 2011, on behalf of the buyer, the Respondent wrote an offer to purchase real estate for the subject property. The offer was countered by the seller and subsequently accepted by the buyer on November 3, 2011.

8. On or about December 27, 2011, when the original listing agent was no longer affiliated with William C. Sexton, licensed sole-proprietor broker, the Respondent engaged in activities as a dual agent in this respective real estate transaction without the written consent of both the buyer and the seller.

9. On or about June 21, 2012, the real estate transaction for the subject property closed.

### SETTLEMENT AGREEMENT

10. Respondent admits to each and every allegation in the above-stated Statement of Charges. This case shall constitute one violation for purposes of Iowa Code section 543B.29(4) (2015).

11. Respondent acknowledges that she 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 her 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.

12. 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.

13. 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.

14. Failure to comply with the terms of this Order shall be prima facie evidence of a violation of Iowa Code sections 543B.29(1)(d), 543B.34(1) and 272C.3(2)(a) (2015) 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.

15. 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.

16. 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 (2015).

#### CONSENT ORDER

#### **IT IS THEREFORE ORDERED:**

17. REPRIMAND. Pursuant to 193E Iowa Administrative Code section 18.14(1)(j), the Respondent is reprimanded.

18. CIVIL PENALTY. The Respondent shall pay to the Commission a civil penalty in the amount of five hundred dollars (\$500.00) as a condition precedent to:

(a) The Respondent's reactivation of her inactive Iowa real estate salesperson license.

(b) The Respondent's reinstatement of her Iowa real estate salesperson license in the event of its expiration.

19. EDUCATION. The Respondent shall attend the Commission approved eight (8) hour course "Real Estate Law and Agency Law" as a condition precedent to:

- (a) The Respondent's reactivation of her inactive Iowa real estate salesperson license.
- (b) The Respondent's reinstatement of her Iowa real estate salesperson license in the event of its expiration.

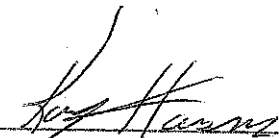
The Commission shall not reactivate or reinstate the Respondent's Iowa real estate salesperson license before and until it has received payment in full of the required civil penalty and proof of education from the Respondent. Payment of the civil penalty and completion of the required education shall not excuse the Respondent from demonstrating compliance with all other applicable statutory and regulatory requirements or otherwise qualifying for reactivation or reinstatement of her Iowa real estate salesperson license.

20. 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:**

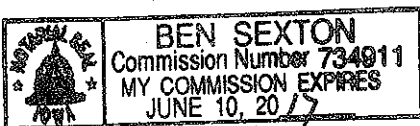
Voluntarily agreed to and accepted by Kay Hanson on this 10 day of September, 2015.


  
By: KAY HANSON, Respondent

State of IOWA )

County of DICKINSON )

Signed and sworn to before me on this 10 day of SEPTEMBER, 2015, by:




  
Notary Public, State of Iowa  
Printed Name: BEN SEXTON  
My Commission Expires: 6-10-17

IREC Case No. 13-174  
Kay Hanson

**FOR THE COMMISSION:**

Voluntarily agreed to and accepted by the **IOWA REAL ESTATE COMMISSION** on this  
15<sup>TH</sup> day of OCTOBER, 2015.

  
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**TERRANCE M. DUGGAN, Chair**  
Iowa Real Estate Commission