

FILED June 11, 2020 (Date)

JREC

Board / Commission

[Signature]  
Signature, Executive Officer

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

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|                      |   |                              |
|----------------------|---|------------------------------|
| IN RE:               | ) |                              |
|                      | ) | CASE NUMBER: 20-073          |
| Trina R. Hanssen     | ) |                              |
| Broker (B65706000)   | ) | INFORMAL SETTLEMENT          |
| SUSPENDED            | ) | AGREEMENT AND CONSENT        |
|                      | ) | ORDER IN A DISCIPLINARY CASE |
| 5 High Point Place   | ) |                              |
| Bettendorf, IA 52722 | ) |                              |
|                      | ) |                              |
| RESPONDENT           | ) |                              |

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The Iowa Real Estate Commission (Commission) and **Trina R. Hanssen** (Respondent) enter into this Informal Settlement Agreement and Consent Order in a Disciplinary Case (Order) pursuant to Iowa Code Sections 17A.10(1) and 272C.3(4) (2020).

1. The Commission issued the Respondent real estate broker license number B65706000 on July 14, 2017. Respondent's license is in full force and effect until December 31, 2022. At all times relevant to this matter, the Respondent served both as the designated broker in charge and a licensed real estate broker officer of Easy Street Property Management, LLC, license number F06065000, located in Davenport, Iowa.

2. The Commission has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 543B. Licenses issued by the Commission are subject to the laws of the State of Iowa and to the administrative rules of the Commission.

**SETTLEMENT AGREEMENT**

3. On May 15, 2020, the Commission issued a Statement of Charges against the Respondent. A true and accurate copy of said Statement of Charges is attached to this Order as Exhibit 1. The Respondent, without admission of wrongdoing or guilt, does not contest the allegations stated in the above-referenced Statement of Charges. This case shall constitute one violation for purposes of Iowa Code section 543B.29(4).

4. Concurrent with the Statement of Charges, the Commission issued an Emergency Order to Suspend License that immediately suspended the Respondent's Iowa real estate broker license. A true and accurate copy of said Emergency Order is attached to this Order as Exhibit 2. The Respondent does not contest that the Commission had a reasonable basis for

issuing the above-referenced Emergency Order based upon the information known to it at the time. The Respondent's subsequent remedial actions, including engaging an outside accounting firm to oversee implementation of appropriate corrective measures to bring the Respondent's practices into compliance with applicable trust accounting standards and her facilitation of Commission staff's access to her trust account records, has sufficiently diminished the imminent risk posed to the public safety and welfare by her continued operation as a real estate broker as to justify rescission of the Emergency Order.

5. Respondent acknowledges that she has a right to 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 7.42.

6. 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.

7. 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.

8. 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) 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.

9. 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.

10. Upon acceptance by both the Commission and Respondent, this Informal Settlement Agreement 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 (2020).

### CONSENT ORDER

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

11. EMERGENCY SUSPENSION RESCINDED. The Emergency Suspension Order issued May 15, 2020 shall be rescinded retroactively to the date of issuance.

12. REPRIMAND. Pursuant to 193E Iowa Administrative Code section 18.14(1)(j), the Respondent is reprimanded. Furthermore, the Respondent by no later than July 10, 2020, shall provide a copy of this Order in its entirety to all persons with whom her brokerage has a property management agreement as of the date this Order is adopted by the Commission.

13. CIVIL PENALTY. Respondent shall pay a civil penalty to the Commission in the amount of ten thousand dollars (\$10,000.00) on or before September 11, 2020. The civil penalty must come under a cover letter addressed to the Commission's Executive Officer, referencing Case Number 20-073.

14. EDUCATION. The Respondent shall attend the Commission approved six (6) hour course "Trust Accounts." These hours shall be in addition to any real estate continuing education required by law for license renewal. The original certificate of attendance shall be submitted to the Iowa Real Estate Commission on or before September 11, 2020. The certificate of attendance must come under a cover letter addressed to the Commission's Executive Officer, referencing Case Number 20-073.

15. CPA AUDIT. The Respondent shall hire an Iowa licensed Certified Public Accountant (CPA) at the Respondent's expense to audit and to establish trust account records following Generally Accepted Accounting Principles. The CPA audit report shall provide an explanation of and proof of reimbursement for any identified shortages in the trust Respondent's trust accounts. The CPA's audit report demonstrating Respondent's current compliance with applicable standards, Iowa law and Commission trust account rules shall be submitted to the Iowa Real Estate Commission on or before September 11, 2020. The audit report must come under a cover letter addressed to the Commission's Executive Officer, referencing Case Number 20-073.

16. SUSPENSION. The Respondent's real estate broker license shall be suspended indefinitely commencing on September 14, 2020, pending submission of the civil penalty, proof of completion of the education, and compliant CPA Audit report required by Paragraphs 13, 14, and 15 of this Order. Upon the Respondent's submission of the civil penalty, education, and compliant CPA audit report to the Commission's Executive Officer, the Respondent's real estate

broker license shall be reinstated upon order of the Commission's Executive Officer. Should the Respondent submit the full amount of the civil penalty, a course completion certificate for the 6-hour course "Trust Accounts", and a compliant CPA audit report to the Commission's Executive Officer at the Commission's offices prior to 1:00 PM on September 11, 2020, the suspension provided for in this paragraph shall not be imposed.

17. **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, including making all records available for reproduction and inspection by the Commission's staff at all times during usual business hours at the Respondent's regular place of business.

**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:**

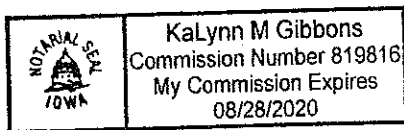
Voluntarily agreed to and accepted by **Trina R. Hanssen** on this 1st day of June, 2020.

Trina R. Hanssen  
By: **TRINA R. HANSSEN**, Respondent

State of IOWA

County of SCOTT

Signed and sworn to before me on this 1st day of June, 2020, by:



KaLynn Gibbons  
Notary Public, State of IOWA  
Printed Name: KaLynn Gibbons  
My Commission Expires: 8/28/2020

**FOR THE COMMISSION:**

Voluntarily agreed to and accepted by the **IOWA REAL ESTATE COMMISSION** on this  
11<sup>th</sup> day of June, 2020.

Terrance M. Duggan FOR IREC  
**TERRANCE M. DUGGAN**, Chair  
Iowa Real Estate Commission

FILED May 15 2020 (Date)

JNEC  
Board / Commission  
[Signature]  
Signature, Executive Officer

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

|                      |   |                       |
|----------------------|---|-----------------------|
| IN RE:               | ) |                       |
|                      | ) | CASE NUMBER: 20-073   |
| Trina R. Hanssen     | ) |                       |
| Broker (B65706000)   | ) | NOTICE OF HEARING AND |
| SUSPENDED            | ) | STATEMENT OF CHARGES  |
|                      | ) |                       |
| 5 High Point Place   | ) |                       |
| Bettendorf, IA 52722 | ) |                       |
|                      | ) |                       |
| RESPONDENT           | ) |                       |

The Iowa Real Estate Commission ("Commission") issues this Notice of Hearing pursuant to Iowa Code sections 17A.12(2), 17A.18A, 543B.29(1)(f) and 543B.35 (2020). The Commission has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 272C, and 543B. Licenses issued by the Commission are subject to the laws of the state of Iowa and to the administrative rules of the Commission.

The Commission issued Trina R. Hanssen ("Respondent") real estate broker license number B65706000 on July 14, 2017. Respondent's license is in full force and effect until December 31, 2022. At all times relevant to this matter, the Respondent served both as the designated broker in charge and a licensed real estate broker officer of Easy Street Property Management, LLC, license number F06065000, located in Davenport, Iowa. Per the Emergency Order to Suspend License issued concurrently with this Notice of Hearing and Statement of Charges, the Respondent's license is presently suspended.

**NOTICE OF HEARING**

1. **HEARING.** A contested case hearing will be held concerning the below-stated disciplinary charges before the Iowa Real Estate Commission on the 11<sup>th</sup> day of June, 2020, at 9:30 o'clock AM, at 200 East Grand, Suite 350, Des Moines, Iowa.

2. **ACKNOWLEDGMENT.** The Commission requests that you file a statement to acknowledge receipt of the notice of hearing within 10 days of the date you are served with this Notice.

EXHIBIT 1

3. **ANSWER.** Within 20 days of the date you are served with this Notice you must file an answer to the charges as provided in 193 Iowa Administrative Code 7.9.

4. **PREHEARING CONFERENCE.** A prehearing conference will be held by telephone on the 4<sup>th</sup> day of June, 2020 at 9:30 o'clock AM before an Administrative Law Judge from the Iowa Department of Inspections and Appeals ("ALJ"). You are responsible for notifying the Commission office of the telephone number at which you or your counsel can be reached. Commission rules on prehearing conferences may be found at 193 Iowa Administrative Code 7.21.

5. **PRESIDING OFFICER.** The full Commission shall serve as presiding officer at hearing, pursuant to Iowa Code section 272C.6(1) and 193 Iowa Administrative Code 7.10(1). The Commission may request that an ALJ make initial rulings on prehearing matters, and be present to assist and advise the Board at hearing, as described in 193 Iowa Administrative Code 7.10(4).

6. **HEARING PROCEDURES.** Commission rules on hearing procedures may be found at 193 Iowa Administrative Code chapter 7. You have the right to respond to the charges, produce evidence on your behalf, cross-examine witnesses, and examine any documents introduced at hearing. You may appear personally and be represented by counsel at your own expense. Consult rule 193 Iowa Administrative Code 7.22 if you need to request an alternative time or date. The hearing may be open to the public or closed to the public at the discretion of the Respondent.

7. **DEFAULT.** If you fail to appear at hearing, the Commission may enter a default decision or proceed with the hearing and render a decision in your absence, in accordance with Iowa Code section 17A.12(3) and 193 Iowa Administrative Code 7.27.

8. **STATE'S COUNSEL.** Licensee disciplinary cases are prosecuted by an Assistant Attorney General acting on behalf of the public interest (the State). Copies of all pleadings shall be filed with the Commission, with copies mailed to:

John R. Lundquist  
Assistant Attorney General  
Iowa Department of Justice  
2<sup>nd</sup> Floor, Hoover State Office Building  
Des Moines, Iowa 50319

Phone: 515-281-3658  
Fax: 515-281-4209  
[John.Lundquist@ag.iowa.gov](mailto:John.Lundquist@ag.iowa.gov)

9. **RESPONDENT'S COUNSEL.** Copies of all pleadings filed with the Commission shall also be provided to Respondent's counsel of record:

NONE

10. **SETTLEMENT.** The procedural rules governing the Commission's settlement process are found at 193 Iowa Administrative Code 7.42. If you are interested in pursuing settlement of this matter, please contact Assistant Attorney General John R. Lundquist.

11. **COMMUNICATIONS.** You may not contact Commission members by phone, letter, facsimile, e-mail, or in person about this Notice of Hearing and Statement of Charges. Commission members may only receive information about the case when all parties have notice and an opportunity to participate, such as at the hearing or in pleadings you file with the Commission office and serve upon all parties in the case. You should direct any questions to Assistant Attorney General John R. Lundquist at 515-281-3658, or the Commission's Executive Officer at 515-725-9026, or Fax 515-725-9032.

12. **ADA NOTICE.** If you require the assistance of auxiliary aids or services to participate in this matter because of a disability, immediately call or e-mail the Commission's Executive Officer at 515-725-9026. If you are hearing impaired, call Relay Iowa TTY at 1-800-735-2942.

#### STATEMENT OF CHARGES

#### COUNT I

13. Respondent is charged with engaging in practices harmful or detrimental to the public by:

- a) Failing within a reasonable time to account for or to remit any moneys coming into the Respondent's brokerage's possession which belong to others in violation of Iowa Code sections 543B.29(1)(d), 543B.29(1)(k), 543B.34(1)(g), 543B.34(1)(h) and/or 543B.56(1)(d). See 193E Iowa Administrative Code sections 13.1(7), 13.2, 18.14(5)(f).
- b) Failing to maintain at all times a record of the Respondent's trust account and improper trust account procedures in violation of Iowa Code sections 543B.29(1)(d), 543B.29(1)(k), 543B.34(1), 543B.46. See 193E Iowa Administrative Code §§ 13.1(6), 18.14(5)(e), 18.14(5)(f).
- c) Failing to make all records available for reproduction and inspection by the commission, staff, and commission-authorized representatives at all times



during usual business hours at the Respondent's regular place of business in violation of Iowa Code §§ 543B.29(1)(d), 543B.34(1). See 193E Iowa Administrative Code §§ 13.5, 18.2(2), 18.14(5)(e)(3).

## COUNT II

14. The Respondent is charged with failing to fully cooperate with a licensee disciplinary investigation and/or failing to timely provide information requested by the Commission relative to a complaint investigation in violation of Iowa Code § 543B.34(1)(j). See 193E Iowa Administrative Code §§ 13.5, 18.2(7), 18.14(5)(i).

## CIRCUMSTANCES

15. As the designated broker in charge of East Street Property Management, LLC, the Respondent is responsible for ensuring compliance with all applicable rules and regulations governing the firm's operations in the state of Iowa, including maintenance of all trust accounts used by the firm.

16. On March 10, 2020, an onsite examination of the Respondent's Iowa real estate trust account and transaction records was conducted by the Commission auditor (auditor). Consistent with normal auditing protocols, the auditor asked the Respondent for access to documents related to the trust accounts used by the firm.

17. 193E Iowa Administrative Code section 13.5 mandates that all records of the brokerage shall be made available for reproduction and inspection by the commission, staff, and commission-authorized representatives at all times during usual business hours at the broker's regular place of business.

18. Despite repeated assurances from Respondent's unlicensed support staff that requested records would soon be produced for examination, the Respondent has yet to provide any trust account documents in response to the auditor's written requests for information as of the date of this filing.

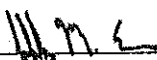
19. During the course of the auditor's examination, the Respondent's unlicensed support staff further represented to the auditor that the Respondent's trust account records were incomplete, timely reconciliations were not being conducted, and that a substantial shortage likely existed in the trust accounts.

20. The Respondent's failure to provide timely access to requested records prevented the auditor from completing a meaningful examination of the Respondent's trust accounts. As a consequence, the auditor was unable to verify the veracity of the statements of the

In re: Trina R. Hanssen  
IREC Case No. 20-073  
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Respondent's staff concerning the status of the Respondent's trust accounts. Nor could the auditor reasonably verify that the Respondent was properly accounting for and safeguarding the trust funds of her clients.

**This Notice of Hearing and Statement of Charges is filed and issued on the 15<sup>th</sup> day of May, 2020.**

  
\_\_\_\_\_  
Jeffrey M. Evans, Executive Officer  
Iowa Real Estate Commission

Copies to:  
Assistant Attorney: General John Lundquist  
Department of Inspections and Appeals, assigned Administrative Law Judge

FILED May 15, 2020 (Date)

TRC  
Board / Commission  
[Signature]  
Signature, Executive Officer

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

|                                      |   |                     |
|--------------------------------------|---|---------------------|
| IN RE:                               | ) |                     |
|                                      | ) | CASE NUMBER: 20-073 |
| Trina R. Hanssen                     | ) |                     |
| Broker (B65706000)                   | ) | EMERGENCY ORDER TO  |
|                                      | ) | SUSPEND LICENSE     |
| Easy Street Property Management, LLC | ) |                     |
| 5001 Tremont Avenue                  | ) |                     |
| Davenport, IA 52803                  | ) |                     |
|                                      | ) |                     |
| RESPONDENT                           | ) |                     |

The Iowa Real Estate Commission ("Commission") enters the following emergency suspension order against Respondent **Trina R. Hanssen** pursuant to Iowa Code sections 17A.18A, 543B.29, and 543B.29 (2020):

FINDINGS OF FACT

1. The Commission issued the Respondent real estate broker license number B65706000 on July 14, 2017. Respondent's license is current and in full force and effect through December 31, 2022. At all times relevant to this matter, the Respondent served both as the designated broker in charge and a licensed real estate broker officer of Easy Street Property Management, LLC, license number F06065000, located in Davenport, Iowa.

2. As the designated broker in charge of East Street Property Management, LLC, the Respondent is responsible for ensuring compliance with all applicable rules and regulations governing the firm's operations in the state of Iowa, including maintenance of all trust accounts used by the firm.

3. On March 10, 2019, an onsite examination of the Respondent's Iowa real estate trust account and transaction records was conducted by the Commission auditor (auditor). Consistent with normal auditing protocols, the auditor asked the Respondent for access to documents related to the trust accounts used by the firm.

4. As of the date of this filing, the Respondent has not provided the auditor any trust account documents in response to the auditor's written requests for information.

5. During the course of the auditor's examination, the Respondent's unlicensed support staff represented to the auditor that the Respondent's trust account records were incomplete, timely reconciliations were not being conducted, and that a substantial shortage likely existed in the trust accounts.

6. The Respondent's failure to provide timely access to requested records prevented the auditor from completing a meaningful examination of the Respondent's trust accounts.

#### CONCLUSIONS OF LAW

7. Iowa Code section 17A.18A authorizes the Commission to immediately suspend a license or take other appropriate emergency action in situations involving an immediate danger to the public health, safety, or welfare.

8. A real estate license may be revoked, suspended, or otherwise sanctioned if a licensee fails to fully cooperate with a trust account examination and/or fails to timely provide information requested by the Commission relative to a complaint investigation. See Iowa Code §§ 543B.29(1)(d), 543B.29(1)(k), 543B.34(1), 543B.46; 193E Iowa Admin. Code §§ 13.1(6), 13.5, 18.2(2), 18.14(5)(e), 18.14(5)(f).

9. Additionally, a real estate license may be revoked, suspended, or otherwise sanctioned if a licensee fails within a reasonable amount of time to account for or to remit any moneys coming into the licensee's possession which belong to others. See Iowa Code §§ 543B.29(1)(d), 543B.29(1)(k), 543B.34(1)(g), 543B.34(1)(h), 543B.56(1)(d). See 193E Iowa Administrative Code sections 13.1(7), 13.2, 18.14(5)(f).

#### DISCUSSION

10. The statements of the Respondent's staff that the Respondent's trust account records were incomplete, timely reconciliations were not being conducted, and that a substantial shortage likely existed in the trust accounts raise serious concerns whether the Respondent is complying with proper trust accounting practices and that her client's property is truly safe.

11. Unfortunately, the Respondent failure to fully cooperate with the Commission's trust account examination and/or failure to timely provide information requested by the Commission's auditor, prevents the Commission from verifying the veracity of the statements of the Respondent's staff concerning the status of the her trust accounts. Nor, without these records, can the Commission offer the public any assurances that the Respondent is properly accounting for and safeguarding the trust funds of her clients.

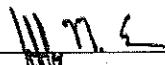
12. Any shortage in a real estate firm's trust account is a serious breach of the fiduciary duty the Respondent owes her clients who have entrusted their property to her safekeeping. See *McClure v. Iowa Real Estate Comm'n*, 356 N.W.2d 594, 597 (Iowa Ct. App. 1984) (ruling that license revocation was a reasonable sanction for a real estate licensee who converted \$500 in client trust funds to his own personal use).

13. However, the size of the alleged shortage in this case coupled with the Commission's present inability to account for any of the Respondent's trust funds compels the Commission to find that the immediate suspension of the Respondent's real estate broker license is necessary to safeguard the public safety and welfare. The Commission is unwilling to allow the Respondent to collect additional trust funds as a real estate broker from the clients she serves until those assets presently in her possession can be properly accounted for.

ORDER

**IT IS THEREFORE ORDERED** that Iowa real estate broker license number B65706000 issued to the Respondent is immediately **SUSPENDED** pending further order of the Commission. A notice of hearing and statement of charges scheduling a hearing conducted pursuant to Iowa Code § 543B.35 shall be issued concurrently with this order.

Dated this 15<sup>th</sup> day of May 2020.

  
\_\_\_\_\_  
Jeffrey M. Evans, Executive Officer  
Iowa Real Estate Commission

FILED

June 11, 2020

(Date)

JMEC

Board / Commission

JMEC

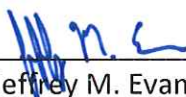
Signature Executive Officer

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

|                      |   |                     |
|----------------------|---|---------------------|
| IN THE MATTER OF:    | ) |                     |
|                      | ) | CASE NUMBER: 20-073 |
| Trina R. Hanssen     | ) |                     |
| Broker (B65706000)   | ) | ORDER TO CANCEL     |
|                      | ) | FORMAL HEARING      |
| 5 High Point Place   | ) |                     |
| Bettendorf, IA 52722 | ) |                     |
|                      | ) |                     |
| RESPONDENT           | ) |                     |

The offices of the Iowa Real Estate Commission [Commission] have received a signed settlement agreement from Respondent Trina R. Hanssen [B65706000], which was formally accepted at the regular meeting of the Commission on June 11, 2020. The formal hearing set in this matter is hereby cancelled.

Dated this 11<sup>th</sup> day of June 2020.



\_\_\_\_\_  
Jeffrey M. Evans, Executive Officer  
Iowa Real Estate Commission