Professional Licensing Bureau
FILED 3-2-23 (Date)

REC
Board / Commission

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

| IN RE:                      |                          |
|-----------------------------|--------------------------|
|                             | ) CASE NUMBER: 22-241    |
| Michael Earl                |                          |
|                             | ) CEASE AND DESIST ORDER |
| 450 Regency Pkwy; Suite 220 | ) BY CONSENT AGREEMENT   |
| Omaha, NE 68114             |                          |
|                             |                          |
| RESPONDENT                  |                          |

The Iowa Real Estate Commission (Commission) and Michael Earl (Respondent), enter into this Cease and Desist Order by Consent Agreement (Agreement), pursuant to Iowa Code Iowa Code section 543B.34 and 193E Iowa Administrative Code section 21.9.

- 1. The parties acknowledge the following:
  - (A) The Respondent does not possess an lowa real estate license issued by the Commission pursuant to lowa Code chapter 543B. In the absence of an lowa real estate license, the Respondent is prohibited from practicing real estate in the state of lowa unless otherwise exempted by law. <u>See</u> lowa Code §§ 543B.1, 543B.7.
  - (B) Iowa Code section 543B.3 provides that a real estate broker includes anyone who "[I]ists, offers, attempts, or agrees to list real estate for sale, exchange, purchase, rent, or lease" and/or "[a]ssists or directs in the procuring of prospects, intended to result in the sale, exchange, purchase, rental, or leasing of real estate." Property management for others for a fee therefore constitutes the practice of real estate for which a license is required by lowa law.
  - (C) The Commission is authorized by statute to commence legal proceedings to secure compliance with the licensing requirements of lowa Code chapter 543B and shall impose civil penalties against those persons found to have engaged in the unlicensed practice of real estate. <u>See</u> Iowa Code §§ 543B.34, 543B.44, 543B.49.

- (D) The Commission received a complaint in October 2022, alleging that the Respondent was engaged in acts contained in the definition of a real estate broker as set in lowa Code § 543B.3 for the sale of a property located in Council Bluffs, Iowa in September 2022. The Commission's investigation revealed that the Respondent was actively engaged in performing real estate broker duties for a fee in the state of Iowa. The Respondent's activities in doing so were not exempt from Iowa Code chapter 543B's licensure requirements. See Iowa Code §§ 543B.1,
- (E) The Commission has jurisdiction over those actions by unlicensed persons that fall within the prohibitions described in Iowa Code section 543B.34(3), including those acts constituting dealing in real estate performed by the Respondent described above. Upon a finding that the Respondent practiced real estate without a license, the Commission is required by Iowa law to issue both a cease and desist order and a civil penalty against the Respondent. See Iowa Code § 543B.34(3).
- (F) Rather than engage in the formal administrative process described in 193E Administrative Code chapter 21, the parties find that an informal resolution of this matter is appropriate.
- 2. The Respondent voluntarily submits this Agreement to the Commission for its consideration. By entering into this Agreement, the Respondent acknowledges and voluntarily waives his right to adjudicate the merits of the violation detailed above in subparagraph 1-D through the commencement of a contested case proceeding before the Commission, and all rights attendant to a contested case proceeding including the right to seek judicial review of the Commission's actions.
- 3. The Commission has authority to seek an injunction in district court and/or to initiate a process to impose further civil penalties against the Respondent pursuant to lowa Code sections 543B.34, 543B.44 and 543B.49 in the event the Respondent commits future violations of lowa Code chapter 543B and/or violates this Agreement. This Agreement may be considered by the Commission in determining the nature and severity of any additional sanction to be imposed upon the Respondent for any future violations of the laws and rules governing the practice of real estate in the state of lowa. Additionally, a violation of lowa Code section 543B.34 is a simple misdemeanor, pursuant to lowa Code section 543B.43.
- 4. This Agreement is not binding on the Iowa Real Estate Commission until it has been formally approved. If the Commission fails to approve this Agreement, it shall be of no force or

effect on either party.

5. This Agreement shall be a public record available for inspection and copying in its entirety in accordance with the requirements of lowa Code chapter 22.

## **CONSENT AGREEMENT**

## IT IS THEREFORE AGREED:

- 6. <u>CEASE AND DESIST</u>. The Respondent shall cease and desist from any future violation of lowa Code chapter 543B.
- 7. <u>CIVIL PENALTY</u>. In recognition of the violation detailed above in subparagraph 1-D, the Respondent voluntarily agrees to pay to the Commission a civil monetary penalty in the amount of two thousand five hundred dollars (\$2500.00). The Respondent shall pay this civil penalty to the Commission no later than six (6) months after acceptance of this Cease and Desist Order by Consent Agreement by the Commission. The civil penalty must come under a cover letter addressed to the Commission's Executive Officer, referencing Case Number 22-241.
- 8. <u>FUTURE COMPLIANCE</u>. The Respondent 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, but not limited to, lowa Code section 543B.1.

WHEREFORE, the terms of this Cease and Desist Order by Consent Agreement are agreed to and accepted by the Iowa Real Estate Commission and the Respondent.

## FOR THE RESPONDENT:

Voluntarily agreed to and accepted by Michael Earl on this 20 day of 2023.

By: MICHAEL EARL, Respondent

State of Nebrasia | County of MEGAN BEATTY | Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of Signed and sworn to before me on this 20 | day of S

JAMES M. H. CLINGMAN, Chair Towa Real Estate Commission