Department of Commerce
Professional Licensing Bureau

ILED 5-4-23 (Date)

# 200 EAST GRAND, SUITE 350 DES MOINES, IOWA 50309

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Signatu	ire, Executive Officer

IN RE:	)	
	)	CASE NUMBER: 21-108
Lucas A. Burrington	)	
Broker (B61098000)	)	COMBINED STATEMENT OF
	)	CHARGES, INFORMAL
Hedges Associates, Inc.	)	SETTLEMENT AGREEMENT,
5408 Blairs Forest Way NE	)	AND CONSENT ORDER IN A
Cedar Rapids, IA 52402	)	DISCIPLINARY CASE
	)	
RESPONDENT	)	

The Iowa Real Estate Commission (Commission) and Lucas A. Burrington (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).

- 1. The Commission issued the Respondent real estate broker associate license number B61098000 on January 19, 2018. Respondent's license is now current and in full force and effect through December 31, 2023. At all times relevant to this matter, the Respondent was a licensed real estate broker associate assigned to Hedges Associates, Inc., a licensed real estate brokerage firm, license number F00597000, located in Cedar Rapids, Iowa.
- 2. The Commission has jurisdiction of this disciplinary matter pursuant to lowa Code chapters 17A, 272C, and 543B. Licenses issued by the Commission are subject to the laws of the State of Jowa and to the administrative rules of the Commission.

## STATEMENT OF CHARGES

## **COUNTI**

3. Respondent is charged with engaging in practices harmful or detrimental to the public in violation of Iowa Code sections 543B.29(1)(d), 543B.34(1), 543B.34(1)(f), 543B.62(3)(b) by conducting real estate business (property management) independently outside of the licensed broker or firm he is assigned to. *See* 193E Iowa Administrative Code sections 4.1(3), 7.1(8), 7.11(1), 15.1, 18.14(5)(n), 18.14(5)(s).

#### COUNT II

4. Respondent is charged with engaging in practices harmful or detrimental to the public in violation of Iowa Code sections 543B.1, 543B.2, 543B.5(6), 543B.29(1)(d), 543B.34(1), 543B.34(1)(f), 543B.62(3)(b) by failing to obtain a license for his corporation before its acting as a real estate brokerage in the state of Iowa. *See* 193E Iowa Administrative Code sections 7.2(1), 18.14(5)(s).

### **CIRCUMSTANCES**

- 5. The Respondent has been a licensed real estate broker associate assigned to Hedges Associates, Inc., license number F00597000, located in Cedar Rapids, Iowa, since January 19, 2018.
- 6. On February 15, 2021, it was discovered that the Respondent was in the business of conducting residential property management under a domestic limited liability company in the state of Iowa known as "AMMT Property Management."
- 7. During the time period in question, AMMT Property Management was a company that was not licensed to practice real estate in the state of lowa. The Respondent in conducting property management activities did not have written property agreements between the owners of the properties and his designated broker.
- 8. Consequently, in 2021 the Respondent conducted and received compensation for activities in the state of lowa requiring a real estate license outside of the licensed broker or firm that he was assigned to. As a real estate broker associate, the Respondent has an ongoing obligation to keep his employing broker apprised of all activities he conducts on behalf of or in the name of his affiliated real estate brokerage.
- 9. "AMMT Property Management" was a licensed trade name (T06384000) with the Commission on June 15, 2021.

## SETTLEMENT AGREEMENT

- 10. Respondent admits 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).
- 11. 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 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 lowa Code section 17A.10 and 193 lowa 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) 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 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.

## **CONSENT ORDER**

#### IT IS THEREFORE ORDERED:

- 17. <u>REPRIMAND</u>. Pursuant to 193E Iowa Administrative Code section 18.14(1)(j), the Respondent is reprimanded.
- 18. <u>CIVIL PENALTY</u>. Respondent shall pay a civil penalty to the Commission in the amount of five hundred dollars (\$500.00) no later than six (6) months after acceptance of this Order by the Commission. The civil penalty must come under a cover letter addressed to the Commission's Executive Officer, referencing Case Number 21-108.

IREC Case No. 21-108 Lucas A. Burrington

19. <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.

**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:	a th
Voluntarily agreed to and accept	By: LUCAS A BURRINGTON, Respondent
State of <u>Tous</u>	
County of <u>Lm</u> )  Signed and sworn to before me	on this, 2023, by:
JEREMY TRENKAMP Commission Number 759755 My Commission Expires August 26, 2024	Notary Public, State of
FOR THE COMMISSION:	
Voluntarily agreed to and accep	ted by the <b>IOWA REAL ESTATE COMMISSION</b> on this, 2023.
	JAMES M.H. CLINGMAN, Chair Iowa Real Estate Commission