

FILED November 1, 2018 (Date)

J.R.C.

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: 18-152
Karen I. Langas)	
Broker (B45323000))	COMBINED STATEMENT OF
)	CHARGES, INFORMAL
Young Management Corp)	SETTLEMENT AGREEMENT,
2209 Aspen Drive)	AND CONSENT ORDER IN A
Dubuque, IA 52001)	DISCIPLINARY CASE
)	
RESPONDENT)	

The Iowa Real Estate Commission (Commission) and **Karen I. Langas** (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) (2018).

1. The Commission issued the Respondent real estate broker license number B42323000 on July 23, 2007. Respondent's license is current and in full force and effect through December 31, 2018. At all times relevant to this matter, the Respondent was a licensed real estate broker officer, assigned to Young Management Corp, license number F05963000, located in Dubuque, Iowa.

2. The Commission has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 543B (2018). 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 by failing to obtain a license for her corporation before its acting as a real estate brokerage in the state of Iowa in violation of Iowa Code sections 543B.1, 543B.2, 543B.5(6), 543B.29(1)(d), 543B.34(1) (2018). See 193E Iowa Administrative Code sections 7.2(1), 18.14(5)(s).

CIRCUMSTANCES

4. Respondent was assigned as the designated broker of the real estate brokerage firm at all times relevant to this matter. As a broker officer of the real estate brokerage firm and designated broker, the Respondent is responsible for ensuring compliance with all applicable rules and regulations governing its operations in the state of Iowa.

5. On June 19, 2018, an offsite examination of the Respondent's Iowa real trust account and transaction records was conducted by the Commission auditor (auditor).

6. The auditor discovered that the Respondent was operating the corporation Young Management Corp and it was actively acting as a real estate brokerage when the auditor observed five executed property management agreements dated November 21, 2017 for properties located in northeast Iowa. A search of Commission licensing records indicate that Young Management Corp. was not licensed with the Iowa Real Estate Commission until December 1, 2017.

COUNT II

7. Respondent is charged with knowingly aiding or abetting an unlicensed person, by allowing the unlicensed practice of real estate in Iowa in violation of Iowa Code sections 543B.1, 543B.3, 543B.29(1), 543B.34 (2018). See 193E Iowa Administrative Code sections 7.13, 18.2(6), 18.14(5)(s), 21.2(7).

CIRCUMSTANCES

8. 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 the firm. As the designated broker in charge, the Respondent was responsible for ensuring that Young Management Corp complied with all applicable statutes and regulations relating to its operations as a real estate brokerage firm, including supervising the acts or activities of unlicensed personnel.

9. On July 9, 2018, an offsite examination of the Respondent's Iowa real trust account and transaction records was conducted by the Commission auditor (auditor).

10. The Commission's investigation revealed that nonlicensed support personnel for the Respondent was engaged in acts contained in the definition of a real estate broker for multi-unit rental properties in Waterloo, Iowa and its surrounding area by performing real estate property management duties for a fee.

11. Consequently, the Respondent knowingly aided or abetted the unlicensed practice of real estate in Iowa.

SETTLEMENT AGREEMENT

12. Without admission of wrongdoing or guilt, the Respondent does not contest the violations alleged in the above-stated Statement of Charges. This case shall constitute one violation for purposes of Iowa Code section 543B.29(4) (2018).

13. 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.

14. 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.

15. 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.

16. 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) (2018) 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.

17. 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.

18. 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 (2018).

CONSENT ORDER

IT IS THEREFORE ORDERED:

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

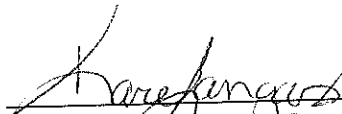
20. **CIVIL PENALTY.** The Respondent shall pay a civil penalty to the Commission in the amount of one thousand, five hundred dollars (\$1000.00 for Count I, \$500.00 for Count II) no later than six (6) months after acceptance of this Order by the Commission. The civil penalty must come under a cover letter addressed to the Commission's Executive Officer, referencing Case Number 18-152.

21. **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:

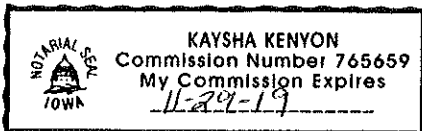
Voluntarily agreed to and accepted by **Karen I. Langas** on this 26th day of October, 2018.

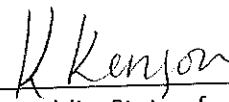

By: **KAREN I. LANGAS**, Respondent

State of Iowa

County of Dubuque

Signed and sworn to before me on this 26th day of October, 2018, by:




Notary Public, State of Iowa
Printed Name: KAYSHA KENYON
My Commission Expires: 11-29-2019

IREC Case No. 18-152
Karen I. Langas

FOR THE COMMISSION:

Voluntarily agreed to and accepted by the **IOWA REAL ESTATE COMMISSION** on this
1st day of November, 2018.



Dennis L. Stolk, Vice-Chair
Iowa Real Estate Commission