

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

Department of Commerce
Professional Licensing Bureau
FILED 8-3-23 (Date)
IREC
Board / Commission
[Signature]
Signature, Executive Officer

IN RE:)
) CASE NUMBERS: 18-099/18-109
Real Estate Concepts, LC)
Firm (F04363000))
) COMBINED STATEMENT OF
) CHARGES, INFORMAL
) SETTLEMENT AGREEMENT,
6600 University Avenue) AND CONSENT ORDER IN A
Des Moines, IA 50324) DISCIPLINARY CASE
)
RESPONDENT)

The Iowa Real Estate Commission (Commission) and Real Estate Concepts, LC (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 firm license number F04363000 on January 8, 2001. Respondent's license is in full force and effect until December 31, 2024. At all times relevant to this matter, Lance Hanson served both as the designated broker in charge and a licensed real estate broker officer of Real Estate Concepts, LC, located in Urbandale, 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.

STATEMENT OF CHARGES

COUNT I (CASE NO. 18-099)

3. 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. See 193E Iowa Administrative Code sections 7.13, 18.2(6), 18.14(5)(s), 21.2(7).

CIRCUMSTANCES

4. Respondent is responsible for ensuring compliance with all applicable rules and regulations governing the operations in the state of Iowa, including supervising the acts or

activities of unlicensed personal assistants.

5. On April 26, 2018, an onsite examination of the Respondent's Iowa real estate trust account and transaction records was conducted by the Commission auditor (auditor).

6. 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 by showing properties independently, collecting rents, and entering into rental agreements for multiple residential properties in Des Moines, Iowa and its surrounding area.

COUNT II (CASE NO. 18-109)

7. Respondent is charged with engaging in practices harmful or detrimental to the public in violation of Iowa Code sections 543B.29(1)(d), 543B.29(1)(k), 543B.34(1), 543B.46 by:

- (a) Failing to maintain at all times a record of the Respondent's trust account and improper trust account procedures. See 193E Iowa Administrative Code §§ 13.1(6), 18.14(5)(e), 18.14(5)(f).
- (b) Failing to accurately maintain the running balance of all individual ledger accounts for the Respondent's trust account. See 193E Iowa Administrative Code §§ 13.1(6)(b), 18.14(5)(e)(2).
- (c) Failing to provide a means for a monthly reconciliation of the Respondent's trust account to ensure agreement of the general ledger balance, reconciled bank balance and individual ledger accounts. See 193E Iowa Administrative Code §§ 13.1(6)(a)(3), 18.14(5)(e), 18.14(5)(f).

COUNT III (CASE NO. 18-109)

8. Respondent is charged with improper trust account procedures by failing to remit accrued interest earned on the real estate trust account on a quarterly basis to the State of Iowa in violation of Iowa Code sections 543B.29(1)(k), 543B.46(1). See 193E Iowa Administrative Code §§ 13.1(2), 18.2(2), 18.14(5)(f)(11).

CIRCUMSTANCES

9. Respondent is responsible for ensuring compliance with all applicable rules and regulations governing the operations in the state of Iowa, including maintenance of the trust accounts used by the firm.

10. On April 26, 2018, an onsite examination of the Respondent's Iowa real estate trust

accounts and transaction records was conducted by the Commission auditor (auditor).

11. The auditor found that for the Respondent's Iowa real estate trust accounts, there was a failure to properly maintain accurate accounting for its individual ledger accounts.

12. The auditor found that for the Respondent's Iowa real estate trust accounts, there was not an accurate monthly reconciliation being performed to ensure agreement of the general ledger balance, reconciled bank balance and sum of the individual ledgers.

13. For the bank statements dated March 31, 2018, the auditor was not able to perform accurate reconciliations due to the Respondent's failure to maintain the individual ledgers for the Iowa real estate trust accounts.

14. The auditor found that between the time period of July 31, 2017 and April 26, 2018 the Respondent failed to remit the interest earned on the real estate trust account to the State of Iowa. On April 26, 2018 the Respondent wrote an interest remittance check in the amount of \$193.40 to the State of Iowa.

SETTLEMENT AGREEMENT

15. 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).

16. Respondent acknowledges that it 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 its 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.

17. 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.

18. 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.

19. 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.

20. 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.

21. 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.

CONSENT ORDER

IT IS THEREFORE ORDERED:

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

23. **CIVIL PENALTY.** Respondent shall pay a civil penalty to the Commission in the amount of two thousand dollars (\$500 for Case No. 18-099, \$1500 for Case No. 18-109) 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 Numbers 18-099, 18-109.

24. **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:

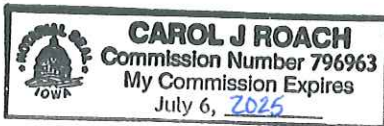
Voluntarily agreed to and accepted by **REAL ESTATE CONCEPTS, LC** on this 15 day of JUNE, 2023.



By: **LANCE T. HANSON**, Broker

State of Iowa)

County of POIK)

Signed and sworn to before me on this 15th day of June, 2023, by:




Notary Public, State of Iowa
Printed Name: Carol J. Roach
My Commission Expires: 07/06/2025

FOR THE COMMISSION:

Voluntarily agreed to and accepted by the **IOWA REAL ESTATE COMMISSION** on this 3rd day of August, 2023.


JAMES M.H. CLINGMAN Chair
Iowa Real Estate Commission