BEFORE THE IOWA REAL ESTATE COMMISSION 1920 SE HULSIZER ANKENY, IOWA

)
IN RE:)
) CASE NUMBER: A04-066
PHYLLIS R. GREGORY),
Broker /Officer (B39098)) STIPULATION
· · · · · ·) AND
North star real estate, Inc) ORDER
311 North Jefferson Street)
SIGOURNEY, IOWA 52591)
)

On this 26^{tx} day of 1749, 2005, the Iowa Real Estate Commission and PHYLLIS R. GREGORY, each hereby agree with the other and stipulate as follows:

1. The allegations specified in the Statement of Charges in this case shall be resolved without proceeding to hearing, as the parties have agreed to the following Stipulation and Consent Order.

2. The Respondent has a right to a hearing on the charges, but waives the right to hearing and all attendant rights, including the right to appeal, by freely and voluntarily agreeing to this Order. Once entered, this Order shall have the force and effect of a disciplinary order entered following a contested case hearing.

3. The Respondent was issued a real estate broker license on January 1, 2001, which is in full force and effect through December 31, 2006.

4. The Iowa Real Estate Commission has jurisdiction over the parties and subject matter jurisdiction over each allegation in the Statement of Charges.

5. A Statement of Charges will be filed against Respondent together with this voluntary Stipulation and Consent Order.

6. Respondent admits each and every allegation in the Statement of Charges.

7. If this Stipulation and Consent Order is approved by the Commission it will be filed, along with the Statement of Charges, and upon filing both documents will become public records.

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8. This Stipulation and Consent Order shall be made a part of the record of the Respondent and may be considered by the Commission in determining the nature and severity of any disciplinary action to be imposed on the Respondent for any future violations of the laws and rules governing the practice of real estate.

9. Failure to comply with the terms of this Stipulation and Consent Order shall be prima facie evidence of a violation of Iowa Code sections 543B.29(3), 543B.34(2) and 272C.3(2)(a) (2003).

10. This Stipulation and Consent Order shall be presented to the Commission in closed session by the prosecuting attorney and/or Commission staff. Respondent waives any right of notice of this meeting or any right which the Respondent might have to participate in the discussion of this Stipulation and Consent Order among the Commission, the Commission staff and the prosecuting attorney.

11. This Stipulation and Consent Order is not binding on the Iowa Real Estate Commission until it has been formally approved by a majority of the Commission members. In the event that this Stipulation and Consent Order is rejected by the Commission it shall be of no force or effect to either party.

THEREFORE IT IS ORDERED that the Respondent is **Reprimanded**.

IT IS FURTHER ORDERED that the Respondent shall personally attend the Commission approved eight (8) hour broker pre-license education course: "Iowa Real Estate 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 must be submitted to the Iowa Real Estate Commission within thirteen (13) months of the signing of this agreement by the Commission and must come under a cover letter addressed to the Commission's Executive Officer and refer to case A04-066. The Commission will accept attendance for the course presented on October 7, 2004, if the Respondent provides proof of attendance within 30 days of acceptance by the Commission.

IT IS FURTHER ORDERED AND AGREED that the Respondent shall 1) Establish and properly maintain trust account records, which shall include a general ledger, personal funds ledger, and interest ledger, and 2) Do a monthly trust account reconciliation on a written worksheet as a preventative measure against trust account irregularities. Respondent shall verify compliance no later than June 15, 2005, by providing such trust records as the Commission shall request. The Commission's Auditor may conduct an on-site audit or request mailed documents at the Auditor's discretion.

IT IS FURTHER ORDERED AND AGREED at all future times Respondent shall fully and promptly comply with all pertinent Orders of the Commission and the statutes and Commission rules regulating the practice of real estate.

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FOR THE RESPONDENT:

This Stipulation and Consent Order is volu this Minday of Man	untarily entered into by PHYLLIS R, 2005.	GREGORY on
	PHYLLIS R. GREGROY, Resp	ondent
State of Irwn)	ſ	
County of <u><u>Raskuk</u>) Signed and sworn to before me on this</u>	19th day of May	, 2005, by
GERTRUDE L. RICHARDSON Commission Number 182558 My Comm. Exp. /2-19-97	Notary Public, State of Iowa Printed Name: <u>Gartyn Ja</u> <u>L</u> My Commission Expires: <u>J2-1</u>	

FOR THE COMMISSION:

This Stipulation and Consent Order is accepted by the Iowa Real Estate Commission on this <u>262</u> day of <u><u>1144</u>, 2005. James E. Hughes, Chair Iowa Real Estate Commission</u>

BEFORE THE IOWA REAL ESTATE COMMISSION 1920 SE HULSIZER ANKENY, IOWA

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) IN RE:)	CASE NUMBER: A04-066
PHYLLIS R. GREGORY)	
Broker /Officer (B39098))	STATEMENT
)	OF
North Star Real Estate, Inc)	CHARGES
311 NORTH JEFFERSON STREET)	
SIGOURNEY, IOWA 52591)	
)	

The Iowa Real Estate Commission has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 543B, and 272C (2003).

Licenses issued by the Commission are subject to the laws of the state of Iowa and to the administrative rules of the Commission.

PHYLLIS R. GREGORY was at all material times, during the following events, a licensed Broker Officer and designated broker in charge of North Star Real Estate, Inc. a licensed firm, license number F04448, in Sigourney, Iowa. Her license, number B39098 was issued January 1, 2001 and is in full force and effect through December 31, 2006.

COUNT I

The Respondent is charged with engaging in numerous practices involving her trust account which are harmful or detrimental to the public, in violation of Iowa Code sections 543B.29(3) (practice harmful or detrimental to the public) (2003) and 193E--IAC sections 13.1(6), 13.1(6)(b), 13.1(6)(a)(3), and 18.14(5)(e)(2), by the following:

- a. failing to perform monthly reconciliations of the general ledger with individual ledgers and bank records to ensure agreement,
- b. failing to maintain an individual ledger for the broker's personal funds in the account, and
- c. failing to maintain an individual ledger for each transaction.

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CIRCUMSTANCES OF THE COMPLAINT

1. On or about June 7, 2004, a trust account and compliance audit was conducted by Auditor Jeff Evans. The audit found the following violations: 1. Respondent was not doing monthly written reconciliation of the general ledger, individual ledgers, and bank records to ensure agreement, 2. Respondent was not keeping an individual ledger for each transaction, and 3. Respondent was not keeping a personal funds individual ledger.

FINDING OF PROBABLE CAUSE

On July 22, 2004 the Iowa Real Estate Commission found probable cause to file this Statement of Charges and to order that a hearing be set in this case.

Executed this <u>26th day of</u> <u>MAy</u> , 2005. Roger L. Hansen, Executive Officer

Iowa Real Estate Commission