

BEFORE THE IOWA REAL ESTATE COMMISSION
1920 S.E. HULSIZER
ANKENY, IOWA

INRE:)	
)	CASE NUMBER: 08-103
John E. Rhoades)	
Broker (B24513))	
)	COMBINED STATEMENT OF
22034 Co. 2)	CHARGES, INFORMAL
Nevis, MN 56467)	SETTLEMENT AGREEMENT,
)	AND CONSENT ORDER IN A
INACTIVE)	DISCIPLINARY CASE
Respondent.)	

The Iowa Real Estate Commission (Commission) and John E. Rhoades (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.I0(1) and 272C.3(4) (2007).

1. The Commission issued the Respondent real estate broker license number B24513 on November 8, 1985. Respondent's license was placed on Inactive status on February 27, 2008" but remains in full force and effect through December 31, 2008. At all times relevant to this matter, the Respondent was a licensed real estate broker, sole proprietor, in Nevis, Minnesota. The Respondent has communicated to the Commission that he has no current interest in returning to active practice in the real estate profession in Iowa.

2. The Commission has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 543B (2007). 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. The Respondent is charged with engaging in a practice that is harmful or detrimental to the public by failing to comply with the mandatory errors and omissions insurance requirement in violation of Iowa Code sections 543B.29(3) & (9), 543B.47(1), 543B.47(6) (2007) and 193E Iowa Administrative Code sections 18.2(5), 8.14(5)(s), 19.6(6) & (7).

COUNT II

4. Respondent is charged with failing to timely advise the Commission of a change in his address of residence in violation of Iowa Code sections 543B.16, 543B.18, and 543B.29(8); and 193E Iowa Administrative Code sections 7.2(6) and 18.14(5)(d)(5).

CIRCUMSTANCES

5. On January 16, 2008, the Respondent was sent a random audit request for his mandatory errors and omission insurance coverage to his address of record with the Commission.

6. The audit request sent to the Respondent was returned to the Commission by postal authorities "undeliverable."

7. A follow up audit request was sent to the Respondent's address provided by the USPS.

8. The Respondent, though actively licensed, failed to maintain his required errors and omission insurance coverage for the period January 1, 2008 through February 27, 2008, and could therefore not provide proof of insurance coverage to the Commission for that time period.

SETTLEMENT AGREEMENT

9. Respondent admits each and every allegation in the above-stated Statement of Charges.

10. 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 Iowa Code section 17A.10 and 193 Iowa Administrative Code 7.4.

11. 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.

12. 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.

13. Failure to comply with the terms of this Order shall be prima facie evidence of a violation of Iowa Code sections 543B.29(3), 543B.34(2) and 272C.3(2)(a) (2007) 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.

14. 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.

15. 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 (2007).

CONSENT ORDER

IT IS THEREFORE ORDERED:

16. REPRIMAND. Pursuant to 193E Iowa Administrative Code section 18.14(1)0), the Respondent is reprimanded.

17. CIVIL PENALTY. The Respondent shall pay to the Commission a civil penalty in the amount of \$1,050.00 as a condition precedent to:

- (a) The Respondent's reactivation of his inactive Iowa real estate broker license.
- (b) The Respondent's reinstatement of his Iowa real estate broker license in the event of its expiration.

The Commission shall not reactivate or reinstate the Respondent's real estate salesperson license before and until it has received payment in full of the required civil penalty from the Respondent. Payment of the civil penalty shall not excuse the Respondent from demonstrating compliance with all other applicable statutory and regulatory requirements or otherwise qualifying for reactivation or reinstatement of his real estate salesperson license.

18. FUTURE COMPLIANCE. 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:

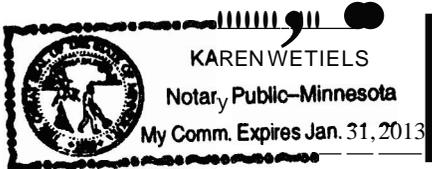
Voluntarily agreed to and accepted by John E. Rhoades on this 30 day of June, 2008.



John E. Rhoades, Respondent

State of Minnesota
County of Hubbard

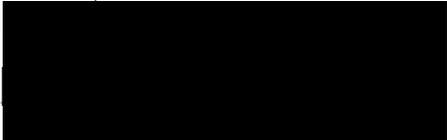
Signed and sworn to before me on this 30th day of June, 2008,
by



Notary Public, State of ~~Iowa~~ Minnesota
Printed Name: Karen Wetziels
My Commission Expires: 01-31-2013

FOR THE COMMISSION:

Voluntarily agreed Accepted by the IOWA REAL ESTATE COMMISSION on this 24 day of July, 2008.



MES E. HUBBARD, Chair