**SETTLEMENT AGREEMENT**
**BETWEEN**
**MISSOURI REAL ESTATE COMMISSION**
**AND**
**PAMELA S. ENLOW-EDSALL**
**AND**
**TURN-KEY PROPERTIES LLC**

Pamela S. Enlow-Edsall ("Enlow-Edsall"), Turn-Key Properties LLC ("Turn-Key"), and the Missouri Real Estate Commission ("MREC") enter into this Settlement Agreement for the purpose of resolving the question of whether Enlow-Edsall's license as a broker associate, no. 1999120766, and Turn-Key's license as a real estate association, no. 2004004020, are be subject to discipline. Pursuant to § 536.060, RSMo 2000,[1] the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri and, additionally, the right to a disciplinary hearing before the MREC under § 621.110, RSMo Supp. 2011. The MREC, Turn-Key, and Enlow-Edsall jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo Supp. 2011.

Enlow-Edsall and Turn-Key acknowledge that they understand the various rights and privileges afforded them by law, including the right to a hearing of the charges against them; the right to appear and be represented by legal counsel; the right to have all charges proven upon the record by competent and substantial evidence; the right to

[1] All statutory citations are to the 2000 Revised Statutes of Missouri unless otherwise noted.

cross-examine any witnesses appearing against them at the hearing; the right to present evidence on their behalf at the hearing; the right to a decision upon the record of the hearing by a fair and impartial administrative hearing commissioner concerning the charges pending against them; the right to a ruling on questions of law by the Administrative Hearing Commission; the right to a disciplinary hearing before the MREC at which time Enlow-Edsall and Turn-Key may present evidence in mitigation of discipline; the right to a claim for attorney fees and expenses; and the right to obtain judicial review of the decisions of the Administrative Hearing Commission and the MREC.

Being aware of these rights provided to them by law, Enlow-Edsall and Turn-Key knowingly and voluntarily waive each and every one of these rights and freely enter into this Settlement Agreement and agree to abide by the terms of this document as they pertain to them.

Enlow-Edsall and Turn-Key acknowledge that they have received a copy of documents that were the basis upon which the MREC determined there was cause for discipline, along with citations to law and/or regulations the MREC believes were violated. Enlow-Edsall and Turn-Key stipulate that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREC that Enlow-Edsall's license as a broker associate, license no. 1999120766, and Turn-Key's license as a real estate association, license no. 2004004020, are subject to disciplinary action by the

MREC in accordance with the relevant provisions of Chapters 621 and 339, RSMo, as amended.

The parties stipulate and agree that the disciplinary order agreed to by the MREC, Turn-Key, and Enlow-Edsall in Part II herein is based only on the agreement set out in Part I herein. Enlow-Edsall and Turn-Key understand that the MREC may take further disciplinary action against them based on facts or conduct not specifically mentioned in this document that are either now known to the MREC or may be discovered.

## I.
## ***Joint Stipulation of Facts and Conclusions of Law***

Based upon the foregoing, the MREC, Turn-Key, and Enlow-Edsall herein jointly stipulate to the following:

1. Pamela S. Enlow-Edsall is licensed by the MREC as a broker associate, license no. 1999120766. At all relevant times herein, Enlow-Edsall's license was active and current.

2. Turn-Key Properties, LLC, is licensed by the MREC as a real estate association, license no. 2004004020. At all relevant times herein, Turn-Key's license was active and current.

3. During April 20 – 21, 26 – 28, and May 2-5, 2011, an audit was conducted at Turn-Key where Enlow-Edsall was a broker associate and the designated broker. As such, Enlow-Edsall bears responsibility for her conduct, as well for Turn-Key's conduct.

Enlow-Edsall's license is culpable for the violations and conduct revealed by the 2011 audit.

4. During the audit, the MREC examined the following escrow accounts of Turn-Key.

Applicable Statutes and Regulations

5. Section 339.020, RSMo Supp. 2011, states in pertinent part:

> It shall be unlawful for any person, partnership, limited partnership, limited liability company, association, professional corporation, or corporation, foreign or domestic, to act as a real estate broker, real estate broker-salesperson, or real estate salesperson, or to advertise or assume to act as such without a license first procured from the commission.

6. Section 339.100.2 RSMo Supp 2010, states in pertinent part:

> 2. The commission may cause a complaint to be filed with the administrative hearing commission as provided by the provisions of chapter 621 against any person or entity licensed under this chapter or any licensee who has failed to renew or has surrendered his or her individual or entity license for any one or any combination of the following acts:
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> (1) Failure to maintain and deposit in a special account, separate and apart from his or her personal or other business accounts, all moneys belonging to others entrusted to him or her while acting as a real estate broker or as the temporary custodian of the funds of others, until the transaction involved is consummated or terminated, unless all parties having an interest in the funds have agreed otherwise in writing;
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> (3) Failing within a reasonable time to account for or to remit any moneys, valuable documents or other property, coming into

his or her possession, which belongs to others;

. . . . .

(15) Violation of, or attempting to violate, directly or indirectly, or assisting or enabling any person to violate, any provision of sections 339.010 to 339.180 and sections 339.710 to 339.860*, or of any lawful rule adopted pursuant to sections 339.010 to 339.180 and sections 339.710 to 339.860*;

. . . . .

(19) Any other conduct which constitutes untrustworthy, improper or fraudulent business dealings, demonstrates bad faith or incompetence, misconduct, or gross negligence;

7. Section 339.105, RSMo Supp. 2011, states in pertinent part:

1. Each broker who holds funds belonging to another shall maintain such funds in a separate bank account in a financial institution which shall be designated an escrow or trust account. This requirement includes funds in which he or she may have some future interest or claim. Such funds shall be deposited promptly unless all parties having an interest in the funds have agreed otherwise in writing. No broker shall commingle his or her personal funds or other funds in this account with the exception that a broker may deposit and keep a sum not to exceed one thousand dollars in the account from his or her personal funds, which sum shall be specifically identified and deposited to cover service charges related to the account.

. . . . .

3. In conjunction with each escrow or trust account a broker shall maintain books, records, contracts and other necessary documents so that the adequacy of said account may be determined at any time. The account and other records shall be provided to the commission and its duly authorized agents for inspection at all times during regular business hours at the broker's usual place of business.

8. Section 339.180.1, RSMo Supp. 2011, states in pertinent part:

> 1. It shall be unlawful for any person or entity not licensed under this chapter to perform any act for which a real estate license is required. Upon application by the commission, and the necessary burden having been met, a court of general jurisdiction may grant an injunction, restraining order or other order as may be appropriate to enjoin a person or entity from:
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> (1) Offering to engage or engaging in the performance of any acts or practices for which a permit or license is required by this chapter upon a showing that such acts or practices were performed or offered to be performed without a permit or license; or
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> (2) Engaging in any practice or business authorized by a permit or license issued pursuant to this chapter upon a showing that the holder presents a substantial probability of serious danger to the health, safety or welfare of any person with, or who is considering obtaining, a legal interest in real property in this state.

9. Section 339.790.2, RSMo Supp. 2011, states in pertinent part:

> 2. A real estate broker and an affiliated licensee owe no further duty or obligation after termination, expiration, completion or performance of the brokerage agreement, except the duties of:
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> (1) Accounting in a timely manner for all money and property related to, and received during, the relationship; and
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> (2) Treating as confidential information provided by the client during the course of the relationship that may reasonably be expected to have a negative impact on the client's real estate activity unless:
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> (a) The client to whom the information pertains grants written consent;

(b) Disclosure of the information is required by law;

(c) The information is made public or becomes public by the words or conduct of the client to whom the information pertains or from a source other than the real estate brokerage or the affiliated licensee; or

(d) Disclosure is necessary to defend the designated broker or an affiliated licensee against an action of wrongful conduct in an administrative or judicial proceeding or before a professional committee.

10. Regulation 20 CSR 2250-8.090, states in pertinent part:

(1) A licensee shall not advertise or place a sign upon any property offering it for sale or lease to prospective customers without the written consent of the owner or his or her duly authorized agent.

11. Regulation 20 CSR 2250-8.120, states in pertinent part:

(4) Each broker shall deposit into the escrow or trust account all funds coming into the broker's possession as set out in section 339.100.2(1), RSMoincluding funds in which the broker may have some future interest or claim and including, but not limited to, earnest money deposits, prepaid rents, security deposits, loan proceeds and funds paid by or for the parties upon closing of the transaction.

No broker shall commingle personal funds or other funds in the broker's escrow account except to the extent provided by section 339.105.1, RSMo Commissions payable must be removed from the escrow account at the time the transaction is completed. After the transaction is completed, interest payable shall be disbursed to the appropriate party(ies) from the escrow account no later than ten (10) banking days following the receipt of the next statement of the escrow account. When the licensee receives all interest earned, interest payable to a licensee must be removed from the escrow account within ten (10) banking

days following the receipt of the next statement of the escrow account.

12. Regulation 20 CSR 2250-8.220 states in pertinent part:

> (1) A broker shall establish and maintain a separate escrow account(s), to be designated as a property management escrow account(s), for the deposit of current rents and money received from the owner(s) or on the owner's(s') behalf for payment of expenses related to property management. Before making disbursements from a property management escrow account, a broker shall ensure that the account balance for that owner's(s') property(ies) is sufficient to cover the disbursements.
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> (3) All money received by a broker in connection with any property management must be deposited within ten (10) banking days to the escrow or trust account maintained by the broker.
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> (8) Each check written on an escrow account, or each corresponding check stub, or other record of disbursement of funds from the account and each deposit ticket shall indicate the related transaction. Each check written on an escrow account for licensee fees or commission shall be made payable to the licensee who is owed the fee or commission or to the firm's general operating account.

Failure to Deposit and Maintain Rent in Escrow Account

13. Enlow-Edsall and Turn-Key were required to deposit funds belonging to others in a separate escrow account registered with the MREC. On at least 22 occasions, Enlow-Edsall failed to do so by depositing money collected on behalf of property owners

in the following amounts on the dates specified into a bank account ending in #7828, which was the broker operating account, not the escrow account:

a. On December 1, 2010, in the sum of $6,150.00;

b. On December 20, 2010, in the sum of $1,000;

c. On January 7, 2011, in the sum of $11,766.00;

d. On January 18, 2011, in the sum of $7,500.00;.

e. On January 24, 2011, in the sum of $4,696.00;

f. On February 4, 2011, in the sum of $19,432.00;

g. On February 7, 2011, in the sum of $10,672.00;

h. On February 15, 2011, in the sum of $5,150.00;

i. On February 18, 2011, in the sum of $3,945.00;

j. On November 23, 2010, in the sum of $5,040.00;

k. On November 24, 2010, in the sum of $2,280.00;

l. On November 30, 2010, in the sum of $12, 993.00;

m. On December 3, 2010, in the sum of $5,116.00;

n. On December 7, 2010, in the sum of $16,446.00;

o. On December 10, 2010, in the sum of $5,240.00;

p. On December 14, 2010, in the sum of $1,995.00;

q. On December 17, 2010, in the sum of $3,420.00;

r. On January 4, 2011, in the sum of $19,218.00;

s. On January 5, 2011, in the sum of $16,219.00;

14. Based on the conduct described above, Enlow-Edsall and Turn-Key failed to deposit money collected on behalf of others into an escrow account in violation of § 339.105.1, RSMo Supp. 2010, 20 CSR 2250-8.120(4) and 20 CSR 2250-8.220(3). Thus, cause exists to discipline Enlow-Edsall's and Turn-Key's licenses pursuant to § 339.100.2(1) and (15), RSMo Supp. 2011.

Broker Failed to Timely Remit Funds Which Belonged to Others

15. On November 20, 2010, Enlow-Edsall and Turn-Key generated a Management Report for 8712 East 77th Street, Kansas City, Missouri, owned by TD Investments, LLC, for the reporting period of October, 2010.

16. The report states that $86.61 was due to TD Investments, LLC, and noted that check number 2889 was enclosed.

17. The Turn-Key check number 2889 was made out to TD Investments, LLC, for the amount of $86.61, dated October 31, 2010. However, check number 2889 was subsequently voided. No explanation was given for the voided check. Likewise, check number 2889 was made on Turn-Key's operating account, not the escrow account where collected funds are required to be located.

18. Turn-Key failed to re-issue a check to TD Investments, LLC, for the amount of $86.61 that was due to the property owner.

19. Based on the conduct described above, Turn-Key's failure to remit funds which belonged to others, Turn-Key violated § 339.790.2(1), RSMo Supp. 2011. Thus, cause exists to discipline Turn-Key's license pursuant to § 339.100.2(3) and (15), RSMo Supp. 2011.

Failure to Timely Account for Funds Which Belonged to Others

20. Turn-Key managed 3419 East 61st Street, Kansas City, Missouri, for Steve Schumacher from at least June, 2010 to September, 2010.

21. *A management report dated July, 2010, for 3419 East 61st Street recorded* that Turn-Key held in escrow a security deposit for $400 from Fredrick Bryson & Alicia McBride, tenants of the property.

22. Turn-Key records for 3419 East 61st Street note that by August 2, 2010, the security deposit was submitted to the property owner, Steve Schumacher. The same records note that the security deposit was forfeited. Once forfeited, the security deposit became regular funds which should have been either immediately submitted to the property owner or transferred to the general escrow account.

23. A management report for the same property dated October, 2010, for the reporting period of September, 2010, notes the security deposit being submitted as part of monies due to owner in September. These general funds thus remained in the security deposit escrow account instead of being transferred, in violation of 20 CSR 2250-

8.210(2), which prohibits any funds other than security deposits to remain in the security deposit escrow account.

24. Based on the conduct described above, Turn-Key's failure to account in a timely manner for all money and property related to, and received during, the relationship, Turn-Key violated § 339.790.2(1), RSMo Supp. 2011. Thus, cause exists to discipline Turn-Key's license pursuant to § 339.100.2(3), RSMo Supp. 2011.

25. Based on the conduct described above, Turn-Key's failure to account in a timely manner for all money and property related to, which allowed non-security deposit funds to remain in the security deposit escrow account in violation of 20 CSR 2250-8.210(2). Thus, cause exists to discipline Turn-Key's license pursuant to § 339.100.2(15), RSMo Supp. 2011.

Conduct Which Constitutes Improper and Untrustworthy Business Practices and Demonstrates Bad Faith, Incompetence, and/or Gross Negligence.

26. Enlow-Edsall and Turn-Key failed to maintain a system of books and records to properly account for the funds of others. The records were not sufficient to determine the adequacy of all accounts.

27. Turn-Key's register for the escrow account indicated that Turn-Key should have had approximately $73,386.69 in owner funds at the end of February, 2011.

28. The bank statement of Turn-Key's escrow account stated that the ending balance of the account on February 28, 2011 was $1,445.29. Enlow-Edsall could not account for the discrepancy of negative $71,941.40.

29. Enlow-Edsall and Turn-Key's conduct concerns the security deposits purported to be in the possession of Turn-Key for the property owners.

30. The examination of Turn-Key register for the security deposit escrow account indicated that Turn-Key had in escrow, $58,145.00 in security deposits at the end of February, 2011.

31. The bank statement for Turn-Key's security deposit escrow account listed an ending balance on February 28, 2011, at $1,368.17. Enlow-Edsall could not account for the discrepancy of negative $56,776.83.

32. Based on the conduct described above, Enlow-Edsall and Turn-Key have exhibited conduct which constitutes improper and untrustworthy business practices and violated § 339.105.1 and 3, RSMo Supp. 2011, thus providing cause to discipline the licenses of Enlow-Edsall and Turn-Key pursuant to § 339.100.2(19), RSMo Supp. 2011.

Overages in the Property Management Escrow Account

33. In an account at Commerce bank, ending in #1183, which served as the property management escrow account, multiple overages were identified.

34. In the Turn-Key broker operating account ending in #7828, an overage of $86.61 occurred due to Enlow-Edsall failing to re-issue a voided check.

35. A management report dated November 2010 for the reporting period October 2010 for the property owner TD Investments, LLC, stated that $86.61 was due to the owner and check #2889, dated October 31, 2011, was to go to the owner. However, check #2889 was subsequently voided, and a replacement check never issued to TD Investments, LLC, which left the funds in the account.

36. The $86.61 was the remainder of a security deposit applied in lieu of rent, as noted in another Turn-Key record, and a third record indicated that the security deposit was returned to the owner by November 3, 2010, of which there is no record as the check, as referred to above, was voided. The result was an overage of $86.61.

37. The following three management reports for property owners, Gilbert & Vicki White, revealed an overage on the October 2010 report for the of September 2010, a November 2010 report for the period of October 2010, and a December 2010 report for the period of November 2010.

38. The management report dated October 2010, incorrectly informs the owners that they owe Turn-Key $137.89, instead of informing them that they are owed the same amount. This amount is then carried over into the management report dated November 2010.

39. The management report dated November 2010 thus includes the amount of $137.89 as an expense due the broker into its calculations for that month's report. As a result, instead of the owners owing $9.78, the broker incorrectly informs the owners that

they owe Turn-Key $147.67. This cascading mistake is next carried over into the management report dated December 2010.

40. In the management report dated December 2010, the $147.67 is carried over as an expense, instead of the $9.78. As a result, the report informs the property owners that they are due $312.89, instead of $450.78. Thus, the incorrect management reports result in an overage of $137.89 carried over at least two consecutive months.

41. Based on the conduct described above, Enlow-Edsall and Turn-Key have exhibited conduct which constitutes improper and untrustworthy business practices and violated § 339.105.1 and 3, RSMo Supp. 2011, thus providing cause to discipline the licenses of Enlow-Edsall and Turn-Key pursuant to § 339.100.2(19), RSMo Supp. 2011.

Shortages in the Property Management Escrow Account

42. Enlow-Edsall and Turn-Key were required to have sufficient funds to cover all payments out of the property management escrow account ending in #1183. On numerous occasions, Turn-Key and Enlow-Edsall allowed shortages to occur in this account which resulted in overdraft and insufficient funds fees to be charged against the escrow account as follows:

a. On January 3, 2011, $33.00 for check number 8362;

b. On October 1, 2010, $33.00 for check number 8148;

c. On October 1, 2010, $33.00 for check number 8165;

d. On October 1, 2010, $33.00 for check number 8114;

e. On October 1, 2010, $33.00 for check number 8151;

f. On October 1, 2010, $33.00 for check number 8162;

g. On October 1, 2010, $33.00 for check number 8150;

h. On October 1, 2010, $33.00 for check number 8117;

i. On October 1, 2010, $9.00 for check number 8120;

j. On October 4, 2010, $33.00 for check number 8137;

k. On October 4, 2010, $33.00 for check number 8139;

l. On October 4, 2010, $33.00 for check number 8116;

m. On October 4, 2010, $33.00 for check number 8125;

n. On October 4, 2010, $33.00 for check number 8156;

o. On August 3, 2010, $33.00 for check number 8039;

p. On August 3, 2010, $33.00 for check number 8013;

q. On August 3, 2010, $33.00 for check number 8024;

r. On August 3, 2010, $33.00 for check number 7979;

s. On August 3, 2010, $33.00 for check number 8003;

t. On August 3, 2010, $33.00 for check number 8035.

43. In total, Turn-Key and Enlow-Edsall from the period of August, 2010 to January 2011 incurred at least $636.00 in shortages based on insufficient funds and/or overdrafts in violation of § 339.105.1, RSMo Supp. 2011.

44. Further shortages were created by service charges which were applied to the property management escrow account ending in #1183. These charges should have been covered by a separate account, but instead, client funds were used to pay them and thus created shortages. Numerous instances of these charges occurred from March 2010 through February 2011:

a. On March 31, 2010, $39.00;

b. On April 30, 2010, $45.50;

c. On May 28, 2010, $33.50;

d. On June 30, 2010, $43.25;

e. On July 30, 2010, $43.25;

f. On August 31, 2010, $44.50;

g. On September 30, 2010, $45.50;

h. On October 29, 2010, $44.50;

i. On November 30, 2010, $29.25;

j. On December 31, 2010, $7.50;

k. On January 31, 2011, $22.00;

l. On February 28, 2011, $23.00;

45. In total, from March 2010 through February 2011, Turn-Key and Enlow-Edsall allowed at least $420.75 in shortages to occur in the property management escrow

account due to service charges being applied to the escrow account instead of other broker funds in violation of § 339.105.1, RSMo Supp. 2011.

46. Shortages in the property management escrow account also occurred due to deposits into the operating account ending in #7828, instead of the escrow account totaling a shortage of approximately $93,073.26, in violation of § 339.105.1, RSMo Supp. 2011.

47. A shortage of $314.60 was created in the property management escrow account ending in #1183 due to a check order fee being applied to that account instead of being covered by the broker's operating account, in violation of § 339.105.1, RSMo Supp. 2011.

48. Based on the conduct described above and Enlow-Edsall's and Turn-Key's violation of § 339.105.1, RSMo Supp. 2011, cause exists to discipline the licenses of Enlow-Edsall and Turn-Key pursuant to § 339.100.2(15), RSMo Supp. 2011.

A Net Shortage in the Security Deposit Escrow Account

49. Turn-Key and Enlow-Edsall created net shortages in the security deposit escrow account, ending in number #2531.

50. An examination of the broker records for the security deposit escrow account also revealed a net shortage of $56,776.83, which could not explained.

51. In total, a net shortage of $57,776.83 was discovered in the security deposit escrow account.

52. Based on the conduct described above, by having a net shortage of $57,776.83 in the security deposit escrow account, Turn-Key and Enlow-Edsall are in violation of § 339.105.1, RSMo Supp. 2011. Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

Broker Failed to Maintain Records Necessary to Determine the Adequacy of the Property Management Escrow Account.

53. Enlow-Edsall failed to maintain records necessary to determine the adequacy of the property management escrow account in several instances:

a. Enlow-Edsall failed to maintain a check register or deposit register;

b. Enlow-Edsall failed to retain a record of adjustments and automatic deposits reflected in bank statements;

c. Turn-Key failed to use accounting software with all information and records tracked on excel spreadsheets; and

d. Enlow-Edsall failed to maintain property lists, rent rolls or records of receivables or vacancies.

54. Furthermore, Enlow-Edsall failed to indicate the related transaction on each check written, the corresponding check stub or other record of disbursement on the property management account on at least the following 22 checks:

a. 7724, 7725, 7726, 7727, 7728, 7730, 7771, 7783, 7817, 7865, 7895, 7897, 7899, 7967, 7968, 7969, 7902, 8008, 8051, 8109, 8110, 8111.

55. On at least five instances, Enlow-Edsall and Turn-Key failed to retain records, such as voided checks and deposit tickets for the account ending in number #1183:

a. voided check number 7785,

b. voided check number 8845,

c. voided check number 8846,

d. deposit ticket for $4,225.00 deposited on October 5, 2010,

e. deposit ticket for $650.00 deposited on December 21, 2010.

56. On 55 separate occasions, Enlow-Edsall and Turn-Key failed to maintain a record of electronic bank transfers to and from the property management escrow account. The result is the transfer of thousands of dollars with no indication for which property owner the individual deposits belong to.

57. On 5 occasions, due to a failure of record keeping, Enlow-Edsall and Turn-Key dispersed funds from the property management escrow account, ending in #1183, when there was not sufficient funds to cover those disbursements resulting in the following negative balances:

a. On August 3, 2010, $3,210.08,

b. On October 1, 2010, $10,880.65,

c. On October 4, 2010, $1,899.79,

d. On January 3, 2011, $149.81,

e. On January 4, 2011, $11,719.57.

58. On 20 occasions, from August 2010 through October 2010, Enlow-Edsall and Turn-Key allowed overdrafts to occur in the property management escrow account due to a failure in record keeping.

59. In February 2011, Enlow-Edsall and Turn-Key began accepting direct deposits from tenants and on at least four instances, but failed to record the related transactions to identify from whom the payments came or to whom they were supposed to go.

60. Enlow-Edsall's and Turn-Key's records indicated that an ending balance of $73,386.69 was in the property management escrow account in February 2011. Actual account statements reveal that there was only $1,445.29 in the ending balance for the month of February, 2011.

61. On multiple occasions, Turn-Key and Enlow-Edsall allowed direct deposits to go into the broker operating account, instead of the property management escrow account, and no records to indicate which owner those deposits belonged to or if and how they were transferred to the escrow account which resulted in a commingling of funds. At least 22 deposits, the dates and amounts, are recorded above in Paragraph 13 of the Agreement.

62. An examination of twelve months of bank statements revealed $92,717.16 in outstanding checks. However, Turn-Key's reconciliation records stated that there was

$105,860.69 in outstanding checks, creating a difference of $13,143.53. Additionally, some of the checks in Turn-Key's records had already been cleared by the bank and should not have been included.

63. Broker and bank records reveal that tenant checks were captured electronically via remote capture deposits, but instead of being deposited into the property management escrow account, the funds were automatically deposited into the operating account. An examination of records shows that for the period studied by the audit, $218,661.07 was deposited into this account. However, only $125,587.81 of those deposits were subsequently transferred to the escrow account. Broker records failed to show why at least $93,073.26, the remainder, was not transferred.

64. Based on the conduct above, Turn-Key and Enlow-Edsall failed to indicate the related transaction on each check written, the corresponding check stub or other record of disbursement on the property management account in violation of § 339.105.3, RSMo Supp. 2011 and in violation of 20 CSR 2250-8.220(1). Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

65. Based on the conduct above, Turn-Key and Enlow-Edsall failed to retain records, such as voided checks and deposit tickets in violation of § 339.105.3, RSMo Supp. 2011 and in violation of 20 CSR 2250-8.220(8). Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

66. Based on the conduct above, Turn-Key and Enlow-Edsall failed to maintain a record of electronic bank transfers to and from the property management escrow account in violation of § 339.105.3, RSMo Supp. 2011 and in violation of 20 CSR 2250-8.220(8). Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

67. Based on the conduct above, Turn-Key and Enlow-Edsall failed to maintain records of dispersed funds from the property management escrow account, ending in #1183, and as a result, when there was not sufficient funds to cover those disbursements resulting in negative balances in violation of § 339.105.3, RSMo Supp. 2011. Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

68. Based on the conduct above, Turn-Key and Enlow-Edsall allowed overdrafts to occur in the property management escrow account due to a failure in record keeping in violation of § 339.105.1 and 3, RSMo Supp. 2011. Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

69. Based on the conduct above, Turn-Key and Enlow-Edsall failed to record the related transactions to identify from whom the payments came from or to whom they were supposed to go in violation of § 339.105.1 and 3, RSMo Supp. 2011 and in violation

of 20 CSR 2250-8.220(8). Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

70. Based on the conduct above, Turn-Key and Enlow-Edsall failed to maintain accurate records, as their records indicated that an ending balance of $73,086.69 was in the property management escrow account in February, 2011, but actual account statements revealed there was only an ending balance of $1,445.28 for the month of February 2011 in violation of § 339.105.3, RSMo Supp. 2011. Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

71. Based on the conduct above, Turn-Key and Enlow-Edsall Turn-Key created inaccurate owner statements which failed to reflect that property owners were actually paid money due in violation of § 339.105.3, RSMo Supp. 2011. Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

72. Based on the conduct above, Turn-Key and Enlow-Edsall allowed direct deposits to go into the broker operating account, instead of the property management escrow account, and no records to indicate which owner those deposits belonged to or if and how they were transferred to the escrow account which resulted in a commingling of funds in violation of § 339.105.1 and 3, RSMo Supp. 2011. Thus, cause exists to

discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

73. Based on the conduct above, Turn-Key and Enlow-Edsall failed to maintain accurate records, as broker reconciliation records stated that there was $105,860.69 in outstanding checks, despite twelve months of bank statements which showed $92,717.16 in outstanding checks, creating a difference of $ 13,143.53. Additionally, some of the checks in Enlow-Edsall's records had already been cleared by the bank and should not have been included in the total reconciliation records, which with the above failure to reconcile is a violation of § 339.105.3, RSMo Supp. 2011. Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

74. Based on the conduct above, Turn-Key and Enlow-Edsall failed to show why at least $93,073.26, the remainder of $218,661.07 of tenant payments which were incorrectly deposited into the broker's operating account, was not transferred into the escrow account with the other $125,587.81 of the $218,661.07 in violation of § 339.105.3, RSMo Supp. 2011. Thus, cause exists to discipline Turn-Key's and Enlow-Edsall's licenses pursuant to § 339.100.2(15), RSMo Supp. 2011.

Broker Failed to Maintain Records Necessary to Determine Adequacy of Management fees.

75. On numerous instances, Enlow-Edsall failed to maintain records necessary to determine the adequacy of management fees, particularly the amounts drawn from the property management escrow account. Instead, the records merely show how much was taken with no description of why such amounts were proper and adequate.

76. Based on the above conduct, Enlow-Edsall's and Turn-Key's failure to maintain records necessary to determine the adequacy of management fees is in violation of § 339.105.3, RSMo Supp. 2011. Thus, cause exists to discipline the licenses of Enlow-Edsall and Turn-Key pursuant to § 339.100.2(15), RSMo Supp. 2011.

Broker Dispersed Funds from Property Management Escrow Account When the Account Balance was Not Sufficient to Do So.

77. On multiple occasions, as outlined above in Paragraphs 47, 62 and 63, Enlow-Edsall and Turn-Key dispersed funds from the property management escrow account when the account balance was not sufficient to cover such disbursements in violation of 20 CSR 2250-8.220(1). Thus, cause exists to discipline the license of Enlow-Edsall and Turn-Key pursuant to § 339.100.2(15), RSMo Supp. 2011.

78. Based on the above described conduct, cause exists to discipline the licenses of Turn-Key and Enlow-Edsall pursuant to § 339.100.2(1), (3), (15) and (19), RSMo Supp. 2011.

## II.
## Joint Agreed Disciplinary Order

Based on the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the MREC in this matter under the authority of § 536.060, RSMo and §§ 621.045.3 and 621.110, RSMo Supp. 2011.

79. **Pamela S. Enlow-Edsall's license is suspended, followed by a period of probation.** Enlow-Edsall's license as a broker associate is hereby SUSPENDED for a period of 2 YEARS, STAYED, and thus, immediately to be placed on PROBATION for a period of 5 YEARS. The periods of suspension and probation shall constitute the "disciplinary period." During the period of suspension, Enlow-Edsall shall not be entitled to practice as a broker associate pursuant to Chapter 339, RSMo. During the period of probation, Enlow-Edsall shall be entitled to practice as a broker associate under Chapter 339, RSMo, provided Enlow-Edsall adheres to all the terms of this Settlement Agreement.

80. **Turn-Key Properties' license is suspended, followed by a period of probation.** Turn-Key's license as a real estate corporation is hereby SUSPENDED for a period of 2 YEARS, STAYED, and thus, immediately to be placed on PROBATION for a period of 5 YEARS. The periods of suspension and probation shall constitute the "disciplinary period." During the period of suspension, Turn-Key shall not be entitled to operate as a real estate corporation pursuant to Chapter 339, RSMo. During the period of probation, Turn-Key shall be entitled to operate as a real estate corporation under Chapter 339, RSMo, provided Turn-Key adheres to all the terms of this Settlement Agreement.

81. **Terms and conditions of the disciplinary period.** Terms and conditions of the probation are as follows:

A. Enlow-Edsall and Turn-Key shall keep the MREC apprised at all times of their current address and telephone number at each place of residence and business. Enlow-Edsall and Turn-Key shall notify the MREC in writing within ten (10) days of any change in this information.

B. Enlow-Edsall and Turn-Key shall timely renew their real estate license(s), timely pay all fees required for license renewal, and shall comply with all other requirements necessary to maintain their license(s) in a current and active status.

C. Enlow-Edsall and Turn-Key shall meet in person with the MREC or its representative at any such time or place as required by the MREC or its designee upon notification from the MREC or its designee. Said meetings will be at the MREC's discretion and may occur periodically during the probation period.

D. Enlow-Edsall and Turn-Key shall immediately submit documents showing compliance with the requirements of this settlement agreement to the MREC when requested by the MREC or its designee.

E. During the probationary period, Enlow-Edsall and Turn-Key shall accept and comply with unannounced visits from the MREC's representative to monitor compliance with the terms and conditions of this settlement agreement.

F. If at any time during the disciplinary period, Enlow-Edsall and/or Turn-Key change their residence from the State of Missouri, ceases to be currently licensed in Missouri under Chapter 339, RSMo, as amended, fails to timely pay all fees required for license renewal, or fails to keep the MREC advised of all current places of residence and business, the time of absence, unlicensed status, delinquency in paying fees for license renewal or unknown whereabouts shall not be deemed or taken as any part of the disciplinary period.

G. Enlow-Edsall and Turn-Key shall comply with all relevant provisions of Chapter 339, RSMo, as amended, all rules and regulations duly promulgated thereunder, all local, state, and federal laws. "State" as used herein includes the State of Missouri and all other states and territories of the United States.

**REPAYMENT TO ESCROW ACCOUNT**

H. Turn-Key and Enlow-Edsall agree to repay $149,550.00 into Turn-Key's escrow account.

I. Turn-Key and Enlow-Edsall agree to repay the $149,550.00 in installments of at least $10,000 every month and to provide proof to the MREC of such repayment. Turn-Key and Enlow-Edsall shall make such installment payments until the full sum of $149,550.00 has been fully paid back within 1 YEAR of the effective date of this Settlement Agreement. Turn-Key and Enlow-Edsall shall show proof of the first

installment of repayment within 30 days of the date when this Settlement Agreement becomes effective.

J. In the event the MREC determines that Turn-Key and Enlow-Edsall has failed to pay any portion of the $149,550.00 agreed upon herein within 1 YEAR or has violated any other term or condition of this Settlement Agreement, the MREC may, in its discretion: (1) notify the Attorney General who "may commence an action to recover the amount of the penalty, including reasonable attorney fees and costs and a surcharge of fifteen percent of the penalty plus ten percent per annum on any amounts owed" under § 339.205.4, RSMo Supp. 2011; (2) after an evidentiary hearing, vacate and set aside the penalty imposed herein and may probate, suspend, revoke, or otherwise lawfully discipline Turn-Key and Enlow-Edsall's license under § 324.042, RSMo Supp. 2011; and (3) deny, discipline, or refuse to renew or reinstate Turn-Key and Enlow-Edsall's license under § 339.205.7, RSMo Supp. 2011.

82. Upon the expiration of the disciplinary period, the licenses of Enlow-Edsall and Turn-Key shall be fully restored if all requirements of law have been satisfied; provided, however, that in the event the MREC determines that Turn-Key and/or Enlow-Edsall has violated any term or condition of this Settlement Agreement, the MREC may, in its discretion, after an evidentiary hearing, vacate and set aside the discipline imposed herein and may suspend, revoke or otherwise lawfully discipline Turn-Key's license and/or Enlow-Edsall's license.

83. No additional discipline shall be imposed by the MREC pursuant to the preceding paragraph of this Settlement Agreement without notice and opportunity for hearing before the MREC as a contested case in accordance with the provisions of Chapter 536, RSMo

84. This Settlement Agreement does not bind the MREC or restrict the remedies available to it concerning any future violations by Enlow-Edsall and/or Turn-Key of Chapter 339, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Settlement Agreement.

85. This Settlement Agreement does not bind the MREC or restrict the remedies available to it concerning facts or conduct not specifically mentioned in this Settlement Agreement that are either now known to the MREC or may be discovered.

86. If any alleged violation of this Settlement Agreement occurred during the disciplinary period, the parties agree that the MREC may choose to conduct a hearing before it either during the disciplinary period, or as soon thereafter as a hearing can be held, to determine whether a violation occurred and, if so, may impose further disciplinary action. Enlow-Edsall and Turn-Key agree and stipulate that the MREC has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred.

87. Each party agrees to pay all their own fees and expenses incurred as a result of this case, its litigation, and/or its settlement.

88. The terms of this Settlement Agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise contained herein, neither this Settlement Agreement nor any of its provisions may be changed, waived, discharged, or terminated, except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, discharge, or termination is sought.

89. The parties to this Settlement Agreement understand that the MREC will maintain this Settlement Agreement as an open record of the MREC as required by Chapters 339, 610, and 324, RSMo, as amended.

90. Enlow-Edsall and Turn-Key, together with their partners, members, managers, heirs, assigns, agents, employees, representatives and attorneys, does hereby waive, release, acquit and forever discharge the MREC, its respective members, employees, agents and attorneys including former members, employees, agents and attorneys, of, or from any liability, claim, actions, causes of action, fees, costs, expenses and compensation, including, but not limited to, any claim for attorney's fees and expenses, whether or not now known or contemplated, including, but not limited to, any claims pursuant to § 536.087, RSMo (as amended), or any claim arising under 42 U.S.C. § 1983, which now or in the future may be based upon, arise out of, or relate to any of the matters raised in this case or its litigation or from the negotiation or execution of this Settlement Agreement. The parties acknowledge that this paragraph is severable from the remaining portions of the Settlement Agreement in that it survives in perpetuity even in

the event that any court or administrative tribunal deems this agreement or any portion thereof void or unenforceable.

91. Enlow-Edsall and Turn-Key understand that they may, either at the time the Settlement Agreement is signed by all parties, or within fifteen days thereafter, submit the agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties constitute grounds for disciplining Enlow-Edsall's license and Turn-Key's license. If Enlow-Edsall and/or Turn-Key desire the Administrative Hearing Commission to review this Settlement Agreement, Enlow-Edsall and/or Turn-Key may submit their request to: Administrative Hearing Commission, Truman State Office Building, Room 640, 301 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65102.

92. If Enlow-Edsall and/or Turn-Key requests review, this Settlement Agreement shall become effective on the date the Administrative Hearing Commission issues its order finding that the Settlement Agreement sets forth cause for disciplining Enlow-Edsall's license. If the Administrative Hearing Commission issues an order stating that the Settlement Agreement does not set forth cause for discipline, then the MREC may proceed to seek discipline against Enlow-Edsall and/or Turn-Key as allowed by law. If Enlow-Edsall and/or Turn-Key do not request review by the Administrative Hearing Commission, then this Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREC.

LICENSEE

Pamela S. Enlow-Edsall
4/19/12

Pamela S. Enlow-Edsall 4/19/12 Date

LICENSEE

Pamela S. Enlow-Edsall

Turn-Key Properties, LLC Date 4/19/12

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MISSOURI REAL ESTATE
COMMISSION

Janet Carder, Executive Director
Date: May 2, 2012

CHRIS KOSTER