

**BEFORE THE
MISSOURI REAL ESTATE COMMISSION**

MISSOURI REAL ESTATE)	
COMMISSION,)	
)	
Petitioner,)	Case No. 4-10-61
v.)	
)	
CHRISTOPHER ERIC GATLEY)	
)	
Respondent.)	

**JOINT MOTION FOR CONSENT ORDER,
JOINT STIPULATION OF FACTS AND CONCLUSIONS OF LAW,
WAIVER OF HEARING
BEFORE THE MISSOURI REAL ESTATE COMMISSION
AND DISCIPLINARY ORDER**

Respondent Christopher Eric Gatley (“Gatley”) and Petitioner Missouri Real Estate Commission (“MREC”) enter into this *Joint Motion for Consent Order, Joint Stipulation of Facts and Conclusions of Law, Waiver of Hearing Before the Missouri Real Estate Commission, and Disciplinary Order* (“Joint Stipulation”) for the purpose of resolving the Probation Violation Complaint filed against Respondent Christopher Eric Gatley. Pursuant to the terms of § 536.060, RSMo¹, the parties move for a consent order and waive the right to a hearing and decision in the above-styled case by the MREC pursuant to § 324.042, RSMo Supp. 2010, and jointly stipulate and agree that a final disposition of this matter may be effectuated as described below.

¹All references are to the 2000 Revised Statutes of Missouri unless otherwise noted.

Respondent acknowledges that he is aware of and understands the various rights and privileges afforded him by law, including: 1) the right to a hearing of the charges against him; 2) the right to appear and be represented by legal counsel; 3) the right to have all charges against him proven upon the record by competent and substantial evidence; 4) the right to cross-examine any witness appearing at the hearing against him; 5) the right to present evidence on his behalf at the hearing; 6) the right to a decision upon the record of the hearing by the MREC concerning the complaint pending against him; 7) the right to a ruling on questions of law by the MREC; 8) the right to a claim for attorneys' fees and expenses, and 9) the right to obtain judicial review of the decisions of the MREC. Being aware of these rights provided Respondent by operation of law; Respondent knowingly and voluntarily waives each and every one of these rights and freely enters into this Joint Stipulation. Respondent further agrees to abide by the terms of this document as they pertain to Respondent.

Respondent acknowledges that he received a copy of the Probation Violation Complaint in this case, which was filed with the MREC on September 23, 2011. Respondent stipulates that the factual allegations contained in this Joint Stipulation are true and stipulates with the MREC that Gatley's license as a real estate broker-officer, license no. 1999018487 is subject to further disciplinary action by the MREC in accordance with the provisions of §§ 324.042 and § 339.100.2, RSMo Supp 2010.

I. JOINT STIPULATION

Based upon the foregoing, the MREC and Respondent jointly stipulate to the following findings of fact and conclusions of law in lieu of the facts and conclusions of law as alleged in the Probation Violation Complaint filed in this case.

FINDINGS OF FACT

1. Respondent, Christopher Eric Gatley ("Gatley") is licensed by the MREC as a real estate broker-officer, license no. 1999018487. Gatley's license has been current and active at all times relevant herein.
2. Gatley's real estate broker-officer license was placed on probation for a period of three (3) years after he entered into a Settlement Agreement with the MREC which became effective on November 10, 2009.
3. In January 2010, Gatley entered into a contract to purchase property located at 1675 E. Dale, Springfield, MO 65803 ("the Dale property") with the seller, Fidelity National Asset Management Solutions, Inc. ("Fidelity").
4. On or about March 22-23, 2010, Jackie Patrick ("the Lessee") emailed one of Gatley's associates and expressed interest in renting an available property. Gatley's associate responded with a list of available properties for rental, which included the Dale property.
5. On March 24, 2010, Gatley and the Lessee entered into a Rental Agreement to lease the Dale property ("the Lease").

6. At the time the Lease was entered into, Gatley failed to disclose to the Lessee that he did not own the Dale property because the sale between himself and Fidelity had not closed.

7. At the time the Lease was entered into, Gatley failed to disclose in writing that he was licensed as a real estate broker.

8. Subsequently, the contract between Gatley and Fidelity for the purchase of the Dale property fell through and never closed.

9. Approximately a week after the Lessee moved into the Property, she was informed by Gatley's associate that Gatley did not own the Dale property and that she needed to move out.

JOINT PROPOSED CONCLUSIONS OF LAW

10. The MREC has jurisdiction and/or authority to conduct a hearing pursuant to the Settlement Agreement, Section II.8, which provides:

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. Gatley and 417 Realtors agree and stipulate that the MREC has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred.

11. The MREC also has jurisdiction pursuant to § 324.042, RSMo Supp. 2010, which provides:

Any board, commission or committee within the division of professional registration may impose additional discipline when it finds after hearing that a licensee, registrant or permittee has violated any disciplinary terms previously imposed or agreed to pursuant to settlement. The board, commission or committee may impose as additional discipline, any discipline it would be authorized to impose in an initial disciplinary hearing.

12. Section II.3(G) of the Settlement Agreement, containing the terms and conditions of Gatley's disciplinary period, states:

Gatley . . . 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.

13. Rule 20 CSR 2250-8.110(1) and (2), regarding disclosure of licensure as a real estate broker or sales-person, provides:

- (1) A licensee shall not acquire an interest in, sell, buy, exchange, rent or lease any real estate, directly or indirectly, without first making the licensee's status as a licensee known in writing to the other parties in the transaction.
- (2) Before buying, exchanging, selling or leasing real estate for another party, the licensee shall disclose in writing any ownership which a licensee has or will have and the licensee's status as a licensee to all parties to the transaction.

14. Gatley's failure to disclose his status as a licensee to the Lessee constitutes a violation of 20 CSR 2250-8.110(1) and (2) and Section II. 3(G) of the terms of his probation, therefore providing cause to impose further discipline upon his license.

15. Gatley's failure to disclose in writing his ownership interest, or lack thereof, in the Dale Property constitutes a violation of 20 CSR 2250-8.110(2) and Section II. 3(G) of the terms of his probation, therefore providing cause to impose further discipline upon his license.

16. Section 339.100.2(2), RSMo Supp. 2010, provides:

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:

....

(2) Making substantial misrepresentations or false promises or suppression, concealment or omission of material facts in the conduct of his or her business or pursuing a flagrant and continued course of misrepresentation through agents, salespersons, advertising or otherwise in any transaction[.]

17. Gatley's substantial misrepresentation to the Lessee and/or false promise, suppression, concealment, and/or omission of the material fact that he not did own the Dale Property at the time the Lease was entered into and his pursuit of a flagrant and continued course of misrepresentation through agents, salespersons, advertising or otherwise constitutes a violation of § 339.100.2(2), RSMo, and Section II. 3(G) of the terms of probation, therefore providing cause to impose further discipline upon his license.

II. JOINT DISCIPLINARY ORDER

Based on the foregoing, the parties hereby mutually agree and stipulate that the following shall constitute the order regarding further discipline of Gatley's license as a real estate broker-officer, subject to the following terms and conditions, and entered by the MREC in this matter under the authority of §§ 536.060 and 621.110, RSMo Supp. 2010. The terms and conditions of the October 11, 2009 Settlement Agreement between Gatley and the MREC will remain in full force and effect. This disciplinary order is in addition to the terms and conditions of the October 11, 2009 settlement agreement and shall become effective immediately upon the issuance of the consent order of the MREC without further action by either party:

1. Gatley agrees to pay a civil penalty of **\$1000**. Said penalty is authorized under § 339.205, RSMo Supp. 2010.
2. Gatley agrees to pay the \$1000 civil penalty by certified check made payable to the "Missouri Real Estate Commission, State of Missouri" and mailed to Missouri Real Estate Commission, P.O. Box 1339, Jefferson City, MO 65102-1339. Gatley shall postmark and mail or hand deliver said check within 60 days of the date when this Settlement Agreement becomes effective.
3. Funds received pursuant to this agreement shall be handled in accordance with Section 7 of Article IX of the Missouri Constitution. Section 339.205.8, RSMo. Cum. Supp. 2010.

4. In the event the MREC determines that Gatley has failed to pay any portion of the \$1000 agreed upon herein or has violated any other term or condition of this Settlement Agreement, the MREC may 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 Cum. Supp. 2010.

5. No additional discipline shall be imposed by the MREC pursuant to the preceding paragraph of this Joint Stipulation without notice and opportunity for hearing before the MREC as a contested case in accordance with the provisions of Chapter 536, RSMo. If any alleged violation of this Joint Stipulation occurred during the disciplinary period, the MREC may choose to conduct a hearing before it to determine whether a violation occurred and may impose further discipline.

6. This Joint Stipulation does not bind the MREC or restrict the remedies available to it concerning any future violations by Gatley of §§ 339.500 through 339.549, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Joint Stipulation.

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

8. If any alleged violation of this Joint Stipulation occurred during the disciplinary period pending as a result of the November 10, 2009 Settlement Agreement, 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. Gatley agrees and stipulates that the MREC has continuing jurisdiction to hold a hearing to determine if a violation of this Joint Stipulation has occurred.

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

10. The terms of this Joint Stipulation are contractual, legally enforceable, and binding, not merely recital. Except as otherwise contained herein, neither this Joint Stipulation 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.

11. The parties to this Joint Stipulation understand that the MREC will maintain this Joint Stipulation as an open record as required by Chapters 339, 610, and 324, RSMo, as amended.

12. Respondent, together with his heirs, assigns, agents, partners, 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 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 Joint Stipulation. The parties acknowledge that this paragraph is severable from the remaining portions of the Joint Stipulation in that it survives in perpetuity even in the event that any court of law or administrative tribunal deems this agreement or any portion thereof void or unenforceable.

III. CONCLUSION

In consideration of the foregoing, the parties consent to the entry of record and approval of this Joint Stipulation and to the termination of any further proceedings before the MREC based upon the complaint filed in the above-captioned cause.

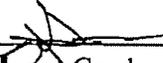
RESPONDENT



Christopher Eric Gatley

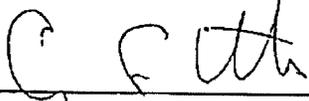
PETITIONER

Missouri Real Estate Commission



Janet Carder 12/13/11
Executive Director Date

Lowther & Johnson, LLC

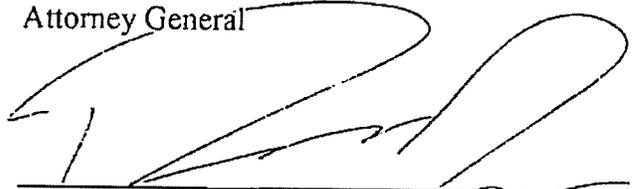


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ATTORNEYS FOR PETITIONER

SETTLEMENT AGREEMENT BETWEEN
THE MISSOURI REAL ESTATE COMMISSION,
CHRIS GATLEY AND 417 REALTORS INC.

The Missouri Real Estate Commission (“MREC”), Chris Gatley (“Gatley”) and 417 Realtors Inc (“417 Realtors”) enter into this Settlement Agreement (“Settlement Agreement”) for the purpose of resolving the question of whether Gatley’s license as a real estate broker officer and 417 Realtors’ license as a real estate corporation will be subject to discipline

Pursuant to § 536.060, RSMo,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, (Cum Supp. 2008). The MREC, Gatley and 417 Realtors jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo, (Cum Supp. 2008).

Gatley and 417 Realtors 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 cross-examine any

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

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 Gatley and 417 Realtors may present evidence in mitigation of discipline; the right to seek recovery of attorney fees and expenses incurred in litigating the MREC's action against his license, 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, Gatley and 417 Realtors 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

Gatley and 417 Realtors 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. Gatley and 417 Realtors stipulate that the factual allegations contained in this Settlement Agreement are true and stipulate with the MREC that Gatley's license as a real estate broker officer, License No 1999018487 and 417 Realtors' license as a real estate corporation, License No. 000008437, are subject to disciplinary action by the MREC in accordance with the relevant provisions of Chapter 621, RSMo, (Cum Supp. 2008), and Chapter 339, RSMo, as amended

I.

Joint Stipulation of Facts and Conclusions of Law

Based upon the foregoing, the MREC, Gatley and 417 Realtors herein jointly stipulate to the following.

1. The MREC was established pursuant to § 339.120, RSMo, for the purpose of executing and enforcing the provisions of §§ 339.010 to 339.205, RSMo, and §§ 339.710 to 339.860, RSMo (as amended), relating to real estate salespersons, brokers and corporations

2. Respondent, Gatley, is licensed by the MREC as a state-licensed real estate broker officer, License No 1999018487 Gatley's license is, and was at all relevant times herein, current and in good standing.

3. Respondent, 417 Realtors, is licensed by the MREC as a state-licensed real estate brokerage corporation, License No 000008437. 417 Realtors' license is, and was at all relevant times herein, current and in good standing

4. Jurisdiction and venue are proper before the Administrative Hearing Commission pursuant to §§ 621.045 and 339.100.2, RSMo (Cum Supp 2008).

5. Gatley is, and was at all relevant times herein, the designated broker officer of 417 Realtors.

6 In 2008, Gatley contracted with Leslie Horner, real estate broker officer at Southwest Realtors in Republic, Missouri, to buy property located at 19052 Hwy. 174, Mt. Vernon, Missouri ("the Property")

7 Gatley negotiated a contract to buy the Property for \$43,000, pledging to deposit \$1,000 in earnest money in escrow

8 Gatley intended to borrow \$85,000 on the property. Gatley indicated on the contract that there was a finance addendum to be included with the contract, but failed to identify the amount of financing sought, and the addendum outlining the financing contingency was not included with the contract

9. Gatley did not complete this transaction. He stated to the Seller of the Property that he could not close because he was unable to acquire financing to purchase the property

10. Gatley never deposited the \$1,000 in earnest money to Fidelity Title Agency as promised in the sales contract for the property.

11. In 2008, Gatley presented 2 other offers under similar conditions for two properties listed with Leslie Horner's office 2632 N. Kellett, Springfield, Missouri and 2488 S. State Hwy PP, Missouri.

12 Gatley included a letter with all of these offers in 2008 from Metropolitan National Bank, and it was signed by Eric Leonard, Vice President, indicating that Gatley had a line of credit in the amount of \$300,000, of which \$239,212 was still available.

13. At least seven other transactions with Gatley as the buyer, and \$1,000 pledged in earnest money to be deposited with Fidelity Title exist for properties located at 508 Cherry, Greene County, Missouri; 1628 N Irving, Greene County Missouri; 720 E. Commercial, Springfield, Missouri, 633 W. Division, Springfield, Missouri; 1502 N, Grant,

Springfield, Missouri, 1121 W Elm Arcade St , Springfield, Missouri; and 3219 N Howard, Springfield, Missouri

14. Gatley did not provide the earnest money in accordance with the sales contracts for any of the seven properties listed above.

15 At least nine of Gatley's previous transactions, which required Gatley to submit an earnest money deposit, did not indentify the earnest money deposit on the settlement statement. The property addresses for these transaction are: 717 S Market Ave, Springfield, Missouri; 3159 W Madison, Springfield, Missouri, 1847 W. Chestnut St , Springfield, Missouri; 811 S New, Springfield, Missouri, 747 S. Campbell, Springfield, Missouri, 1121 W. Elm Arcade St , Springfield, Missouri; 1207 West Weber St., Springfield, Missouri; 827 S. Nettleton Ave., Springfield, Missouri; and 2446 W Grand, Springfield, Missouri

16. Seven of Gatley's previous transactions had incomplete records, in that the documents did not include a copy of the fully executed sale contract and/or the buyer's side of the settlement statement. Those transactions were: 1271 S. Ferguson Ave, Springfield, Missouri, 2936 W Lombard, Springfield, Missouri 1120 W. Mt. Vernon St., Springfield, Missouri, 700 N. Hillcrest Ave., Springfield, Missouri; 1882 N. Jefferson, Springfield, Missouri; 1715 N. National Ave., Springfield, Missouri, and 1020 S. Douglas Ave , Springfield, Missouri

17 In at least two transactions, Gatley did not use the standard board form sales contract. The contract he used did not contain an agency confirmation section, nor was there

a separate form disclosure to disclose his agency relationship according to the settlement statement for the property located at 1730 Olive St , Springfield, Missouri Gatley was personally purchasing the property

18 Section 339.040, RSMo (Cum. Supp 2007), provides in part.

1 Licenses shall be granted only to persons who present, and corporations, associations, or partnerships whose officers, associates, or partners present, satisfactory proof to the commission that they

(3) Are competent to transact the business of a broker or salesperson in such a manner as to safeguard the interest of the public[]

19 Section 339 100 2, RSMo, provides in part.

The commission may cause a complaint to be filed with the administrative hearing commission as provided by law when the commission believes there is a probability that a licensee has performed or attempted to perform any of the following acts

(15) Committing any act which would otherwise be grounds for the commission to refuse to issue a license under section 339.040;

(19) Any other conduct which constitutes ... improper... business dealings, demonstrates.. incompetence [or] misconduct[.]

20. Cause exists under § 339.100 2(15), RSMo, to discipline the licenses of Gatley and 417 Realtors due to Gatley's failure to timely account for or remit the earnest money; failure to provide a complete copy of the contract, and, failure to ensure all of the terms of the offer included in the contract, all such acts being contrary to the tenets of § 339 040 1(3), RSMo

21 Cause exists under § 339.100.2(19), RSMo, to discipline the licenses of Gatley and 417 Realtors because the conduct of Gatley, 417 Realtor's designated broker, as detailed above demonstrates incompetence and improper business dealings

22 Based on the foregoing, cause exists to discipline Gatley and 417 Realtor's real estate licenses pursuant to § 339.100.2 (15) and (19), RSMo.

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, 621.045.3, and 621.110, RSMo

1 Gatley's license as a real estate broker officer is hereby placed on PROBATION for a period of THREE YEARS. The period of probation shall constitute the "disciplinary period" During the disciplinary period, Gatley shall be entitled to practice as a real estate broker under Chapter 339 Real Estate Agents, Brokers, Appraisers and Escrow Agents, RSMo, provided Gatley adheres to all the terms of this Settlement Agreement.

2 417 Realtors' license as a real estate brokerage corporation is hereby placed on PROBATION for a period of THREE YEARS. The period of probation shall constitute the "disciplinary period." During the disciplinary period, 417 Realtors shall be entitled to practice as a real estate brokerage under Chapter 339 Real Estate Agents, Brokers, Appraisers and Escrow Agents, RSMo, provided 417 Realtors adheres to all the terms of this Settlement Agreement.

3 The terms and conditions of the probation apply to both Gatley and 417 Realtors individually and are as follows.

A Gatley and 417 Realtors shall keep the MREC apprised at all times of their current address and telephone number at each place of residence and business. Gatley and 417 Realtors shall notify the MREC in writing within ten (10) days of any change in this information.

B Gatley and 417 Realtors shall timely renew their real estate licenses, timely pay all fees required for license renewal and shall comply with all other requirements necessary to maintain their licenses in a current and active status.

C Gatley and 417 Realtors 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 Gatley and 417 Realtors 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 disciplinary period, Gatley and 417 Realtors 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, Gatley and 417 Realtors change their residence and/or primary place of business from the State of Missouri, cease to be currently licensed in Missouri under Chapter 339, RSMo, as amended, fail to timely pay all fees required for license renewal, or fail 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 Gatley and 417 Realtors 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

4. Upon the expiration of the disciplinary period, the real estate licenses of Gatley and 417 Realtors shall be fully restored if all requirements of law have been satisfied, provided, however, that in the event the MREC determines that Gatley and/or 417 Realtors

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 one or both Gatley and 417 Realtors' licenses.

5 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

6. This Settlement Agreement does not bind the MREC or restrict the remedies available to it concerning any future violations by Gatley and 417 Realtors of Chapter 339, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Settlement Agreement.

7. 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.

8. 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.

Gatley and 417 Realtors agree and stipulate that the MREC has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred

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

10 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.

11. 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 620, RSMo, as amended.

12 Gatley and 417 Realtors, together with their partners, shareholders, officers, directors, heirs, assigns, agents, employees, representatives and attorneys, do 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

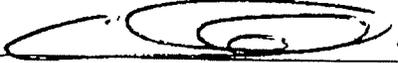
based upon, arise out of, or relate to any of the matters raised in this case or its litigation or from the negotiation or execution of this Settlement Agreement. The parties acknowledge that this paragraph is severable from the remaining portions of the Settlement Agreement in that it survives in perpetuity even in the event that any court or administrative tribunal deems this agreement or any portion thereof void or unenforceable

13 Gatley and 417 Realtors 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 Gatley and 417 Realtors' licenses. If Gatley and/or 417 Realtors desire the Administrative Hearing Commission to review this Settlement Agreement, Gatley and/or 417 Realtors may submit his request to Administrative Hearing Commission, Truman State Office Building, Room 640, 301 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65101.

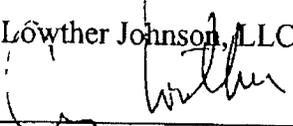
14. If Gatley and/or 417 Realtors request review, this Settlement Agreement shall become effective on the date the Administrative Hearing Commission issues its order finding that the Settlement Agreement sets forth cause for disciplining Gatley and 417 Realtors' licenses. If neither Gatley nor 417 Realtors request review by the Administrative Hearing Commission, the Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREC

LICENSEES

 10-11-09 MISSOURI REAL ESTATE
Chris Gatley Date COMMISSION

 10-11-09 Janet Carder, Executive Director
417 Realtors (by authorized person) Date
Date 10-26-09

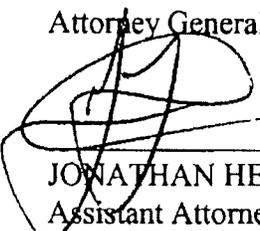
Lowther Johnson, LLC


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