

**BEFORE THE
MISSOURI REAL ESTATE COMMISSION
STATE OF MISSOURI**

Missouri Real Estate Commission,)	
)	
Petitioner,)	
)	
vs.)	Case No. 01-12-17
)	
Crystal Deanne Blankenship)	
)	
Respondent.)	

**FINDINGS OF FACT, CONCLUSIONS OF LAW
AND DISCIPLINARY ORDER**

Pursuant to notice and §§ 621.110, 339.100.3 and 324.042, RSMo,¹ the Missouri Real Estate Commission (“MREC”) held a hearing on August 7, 2013, at the Division of Professional Registration, 3605 Missouri Boulevard, Jefferson City, Missouri, for the purpose of determining whether Respondent had violated the probationary terms of a prior MREC disciplinary order and if so, whether additional discipline of Respondent’s license was warranted. All of the members of the MREC were present throughout the meeting. Charles Davis participated through conference call. The MREC was represented by Assistant Attorney General You-Jin Han. Respondent was properly and timely notified of the hearing. Respondent Blankenship did not appear individually or through legal counsel. After being present and considering all of the evidence presented during the hearing, the MREC issues these following Findings of Facts, Conclusions of Law and Disciplinary Order.

Based on the foregoing, the MREC states:

¹ All statutory references are to the Revised Statutes of Missouri, as amended, unless otherwise indicated.

I.

FINDINGS OF FACT

1. The Missouri Real Estate Commission (“MREC”) is an agency of the State of Missouri created and existing pursuant to § 339.120, RSMo, for the purpose of executing and enforcing the provisions of §§ 339.010 to 339.180 and §§ 339.710 to 339.860, RSMo, and the regulations promulgated thereunder, relating to real estate salespersons and brokers.

2. The Respondent, Crystal Deanne Blankenship, was licensed by the MREC as a real estate salesperson, license number 1999111752, and said license was current and active at all times relevant to this proceeding.

3. On December 23, 2010, the Administrative Hearing Commission entered its Consent Order against Respondent in which it found that the MREC had cause to discipline Respondent under § 339.100.2(3), (16), and (19), RSMo, based on Respondent’s failure to pay a contractor for work completed on three properties after broker had provided Blankenship with funds to pay for work completed.

4. On February 16, 2011, the MREC issued its Findings of Fact, Conclusions of Law, and Disciplinary Order (“Disciplinary Order”) suspending Blankenship’s real estate salesperson license for one year, the suspension was stayed, and placing Blankenship’s license on five years’ probation.

5. Beginning in or about September 2011, Blankenship managed a rental property located at 946 E. Delmar, Springfield, Missouri, for the property owners, James and Bonnie Rudden (“E. Delmar Property”). In or about September 2011, the property owners and Blankenship agreed that Blankenship would manage the E. Delmar Property—performing duties including showing, leasing, collecting rental payments, and coordinating repairs for the Property—in exchange for a fee of \$50 per month.

6. Blankenship managed the E. Delmar Property outside of the supervision of the broker with whom she was affiliated at the time, Phil Bostron, and without his permission to do so.

7. By managing property without the authorization or knowledge of her broker, Blankenship engaged in the practice of a real estate broker without a real estate broker license in violation of § 339.020, RSMo.

8. Blankenship accepted commissions and/or valuable consideration for the practice of real estate from a person other than the broker with whom she was associated for the management of the E. Delmar Property.

9. In managing the E. Delmar Property, Blankenship misrepresented facts to the Ruddens, including, but not limited to, the following:

- a. The telephone number of the tenant renting the E. Delmar Property;
- b. That the tenant renting the E. Delmar Property had untimely made and/or failed to make rent and deposit payments;
- c. That the tenant had made rent and/or deposit payments via money order when he had in fact made them in cash payments; and
- d. That Blankenship had timely remitted rent and deposit payments owed to the Ruddens when, in fact, she had not done so.

10. In managing the E. Delmar Property, Blankenship failed to timely remit rent and deposit payments owed to the Ruddens.

11. In being interviewed by the MREC investigator regarding the Ruddens' complaint filed with the MREC, Blankenship claimed she had a sister, Cindy Gideon, who sent emails related to the complaint from Blankenship's email account, and Blankenship knowingly provided the investigator with a false address and telephone number for Gideon.

12. In April 2009, Blankenship and J. Fredric Mays agreed that Blankenship would collect the rental payments from a tenant in Mays' rental property located at 1121 North Golden, Springfield, Missouri ("North Golden Property"), use the rental payments collected to pay his mortgage payment on the property, and then keep the remaining funds for herself as a fee. In 2011, during Blankenship's term of probation, Blankenship misrepresented facts to Mays, including, but not limited to, the following:

- a. The identity of the tenant purportedly renting the property at the time; and
- b. That the tenant had failed to make timely rent payments.

13. On or about March 31, 2011, Blankenship executed a lease with a tenant in the North Golden Property on which she signed Mays' name without Mays' knowledge or consent. She also failed to timely remit \$750 to Mays which had been given to her by the tenant in the North Golden Property as a security deposit, as well as rent payments.

14. Blankenship managed the North Golden Property outside of the supervision of the broker with whom she was affiliated at the time, Phil Bostron, and without his permission to do so.

15. By managing property without the authorization or knowledge of her broker, Blankenship engaged in the practice of a real estate broker without a real estate broker license in violation of § 339.020, RSMo.

16. Blankenship accepted commissions and/or valuable consideration for the practice of real estate from a person other than the broker with whom she was associated for the management of the North Golden Property.

17. Beginning in January 2012, Blankenship managed rental properties located at 3210 Washita, Springfield, Missouri, and 831 S. Luster, Springfield, Missouri (collectively, "Washita and S. Luster Properties"), for the properties' owner, Britney Helm. Blankenship performed management duties, including collecting rental payments remitted by tenants, under

an agreement executed between GB's Painting Co.—through which Blankenship managed the property—and Helm on or about January 22, 2012.

18. Blankenship managed the Washita and Luster Properties outside of the broker with whom she was affiliated at the time, Barbara Valene, and in violation of an agreement she entered into with Valene establishing that she would not, as a condition of her employment, practice any form of property management.

19. By managing property without the authorization or knowledge of her broker, Blankenship engaged in the practice of a real estate broker without a real estate broker license in violation of § 339.020, RSMo.

20. Blankenship accepted commissions and/or valuable consideration for the practice of real estate from a person other than the broker with whom she was associated for the management of the Washita and S. Luster Properties.

21. In managing the Washita and S. Luster Properties, Blankenship failed to remit rent payments to Helm and/or provided Helm with checks for such payments which were returned for insufficient funds and/or were issued from a closed account.

22. In managing the Washita and S. Luster Properties, Blankenship failed to remit rent payments to Helm and/or provided Helm with one or more checks drawn from GB's Painting Co. without the consent of Guy Blankenship, the owner of GB's Painting Co.

23. Upon being questioned about a complaint filed with the MREC by Britney Helms regarding Blankenship's actions in managing the Washita and S. Luster Properties, Blankenship provided the MREC investigator with false contact information for Cindy Gideon.

24. In June and July 2012, Blankenship managed residential rental property at 949 S. Fort St., Springfield, Missouri ("S. Fort Property"), for Larry Huynh.

25. On or about June 16, 2012, Blankenship issued check number 2543 from a Bank of America checking account, number xxxx-xxxx-3332, to Huynh for \$625.00 as remittance of

the deposit and rents paid by the tenants at 949 S. Fort St. On or about June 18, 2012, Blankenship's check was returned as having been issued from a "Closed Account" and Huynh was imposed an additional \$4.00 fee for the returned check.

26. Blankenship managed the S. Fort Property outside of the broker with whom she was affiliated at the time, Barbara Valene, and in violation of an agreement she entered into with Valene establishing that she would not, as a condition of her employment, practice any form of property management.

27. Blankenship accepted commissions and/or valuable consideration for the practice of real estate from a person other than the broker with whom she was associated for the management of the S. Fort Property.

28. By managing property without the authorization or knowledge of her broker, Blankenship engaged in the practice of a real estate broker without a real estate broker license in violation of § 339.020, RSMo.

29. As a result of the foregoing, a Probation Violation Complaint was filed with the MREC alleging that grounds existed for additional disciplinary action against Respondent's Missouri real estate license, pursuant to §§ 339.100.2(2), (3), (12), (15), (16), and (19), 339.040 and 339.040.1, RSMo Supp. 2011.

30. The MREC set this matter for hearing and served notice of this probation violation hearing upon Respondent in a proper and timely fashion.

31. Respondent was properly and timely notified of the MREC's August 7, 2013 hearing. Respondent was not present at the hearing and was not represented by counsel.

II.

CONCLUSIONS OF LAW

32. The MREC has jurisdiction over this matter pursuant to § 324.042, RSMO Supp. 2012 which states:

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.

33. The MREC also retains jurisdiction over this matter pursuant to page 4, paragraph H of the February 16, 2011 Disciplinary Order, which provides as follows:

The MREC retains jurisdiction to hold a hearing at any time to determine if a violation of this Order has occurred and, if a violation of this Order has occurred, may seek to amend this Order or impose further disciplinary or appropriate action at the discretion of the MREC. No order shall be entered by the MREC pursuant to this paragraph without any required notice and opportunity for a hearing before the MREC as provided by chapter 536, RSMo.

34. Pursuant to § 324.042, RSMo, and the February 1, 2011 Order, the MREC has authority to impose additional discipline against Respondent Crystal Deanne Blankenship for violating any disciplinary terms previously imposed pursuant to the Disciplinary Order.

35. Section 339.100.3, RSMo, provides the MREC may discipline a real estate license after an initial disciplinary hearing by revoking, probating or suspending said license or by imposing a civil penalty not to exceed \$2,500 for each offense.

36. Section 339.205, RSMo, provides the MREC may discipline a real estate license after an initial disciplinary hearing through an order imposing a civil penalty not to exceed \$2,500 for each offense.

37. Page 4, paragraph H of the February 16, 2011 Disciplinary Order provides the MREC with jurisdiction to impose additional discipline following notice, a hearing and a determination of a violation of the Disciplinary Order.

38. Blankenship violated the terms of the Disciplinary Order and the terms and

conditions of her probation with the MREC as detailed in paragraphs 5 through 28 above. Therefore, the MREC has sufficient grounds to impose additional discipline pursuant to § 324.042, RSMo, and the Disciplinary Order.

39. Blankenship's actions detailed in paragraphs 5 through 28 above constitute violations of Sections 339.010 to 339.180 and §§ 339.710 to 339.860 RSMo, as described above, and therefore, constitutes independent grounds for the MREC to impose additional discipline.

40. The MREC finds Respondent has violated the terms and conditions of the February 16, 2011 Disciplinary Order as a result of the conduct identified in the Findings of Fact herein.

41. The MREC has determined that this Order is necessary to ensure the protection of the public.

III.

ORDER

42. Therefore, having fully considered all the evidence before the MREC, it is the ORDER of the MREC that: The real estate license of Respondent, Crystal Deanne Blankenship, license number 1999111752, is hereby **REVOKED**. All evidence of Respondent's licensure shall be returned to the Commission within 30 days of this Order.

43. The MREC will maintain this Order as an open, public record of the MREC as provided in Chapters 339, 610, and 324, RSMo.

So Ordered this 15th day of August, 2013.


Janet Carder
Executive Director
Missouri Real Estate Commission

BEFORE THE
MISSOURI REAL ESTATE COMMISSION

MISSOURI REAL ESTATE)
COMMISSION)
3605 Missouri Boulevard)
P.O. Box 1339)
Jefferson City, MO 65102)
(573) 751-2628)

Petitioner,)

v.)

CRYSTAL D. BLANKENSHIP)
2101 W. Chesterfield C100 #74)
Springfield, MO 65807)
(417) 844-1659)

Respondent.)

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No. 1-12-17

PROBATION VIOLATION COMPLAINT

Petitioner, the Missouri Real Estate Commission ("MREC"), by and through its attorney, the Attorney General of Missouri, states its cause of action against Crystal D. Blankenship ("Blankenship"):

1. The MREC is an agency of the state of Missouri created and existing pursuant to § 339.120, RSMo, for the purpose of executing and enforcing the provisions of §§ 339.010 to 339.180 and 339.710 to 339.860, RSMo 2000 (as amended), relating to real estate salespersons and brokers.

2. Blankenship is licensed as a real estate salesperson, license number 1999111752.

3. Effective February 16, 2011, the MREC issued its Order . . . Disciplining the Real Estate License of Crystal D. Blankenship (the “Disciplinary Order”). Under the Disciplinary Order, Blankenship’s salesperson license was suspended for one year, stayed, followed by five years’ probation.

4. The MREC has jurisdiction over this matter pursuant to § 324.042, RSMo Supp. 2011, which states:

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.

5. The MREC also retains jurisdiction over this matter pursuant to page 4, paragraph H of the Disciplinary Order, which provides in pertinent part: “The Commission retains jurisdiction to hold a hearing at any time to determine if a violation of this Order has occurred and, if a violation of this Order has occurred, may seek to . . . impose further disciplinary or appropriate action at the discretion of the Commission.”

6. According to the Disciplinary Order, the terms of Blankenship's probation relevant to this Complaint are as follows:

A. During the probationary period, Respondent shall maintain full compliance with all provisions of Sections 339.010-339.205 and 339.710-339.855, RSMo, and all rules and regulations promulgated by the Commission.

* * * *

J. Any failure by Crystal D. Blankenship to comply with any condition of discipline set forth herein constitutes a violation of this Order.

7. Section 339.020, RSMo Supp. 2011, states:

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.

8. In accordance with the terms of her probation, Blankenship was to comply with § 339.100.2, RSMo Supp. 2011, which states in relevant part:

The commission may cause a complaint to be filed with the administrative hearing commission as provided by the provisions of chapter 621, RSMo, 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;

(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;

* * * *

(12) Accepting a commission or valuable consideration for the performance of any of the acts referred to in section 339.010 from any person except the broker with whom associated at the time the commission or valuable consideration was earned;

* * * *

(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;

(16) 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 untrustworthy, improper or fraudulent business dealings, demonstrates bad faith or incompetence, misconduct, or gross negligence[.]

9. Section 339.040, RSMo Supp. 2011, states in relevant part as follows:

1. Licenses shall be granted only to persons who present, and corporations, associations, partnerships, limited partnerships, limited liability companies, and professional corporations whose officers, managers, associates, general partners, or members who actively participate in such entity's brokerage, broker-salesperson, or salesperson business present, satisfactory proof to the commission that they:

- (1) Are persons of good moral character; and
- (2) Bear a good reputation for honesty, integrity, and fair dealing; and
- (3) Are competent to transact the business of a broker or salesperson in such a manner as to safeguard the interest of the public.

COUNT I

(E. Delmar Property)

10. Beginning in or about September 2011, Blankenship managed a rental property located at 946 E. Delmar, Springfield, Missouri, for the property owners, James and Bonnie Rudden ("E. Delmar Property"). In or about September 2011, the property owners and Blankenship agreed that Blankenship would manage the E. Delmar Property—performing duties including showing, leasing, collecting rental payments, and coordinating repairs for the Property—in exchange for a fee of \$50 per month.

11. Blankenship managed the E. Delmar Property outside of the supervision of the broker with whom she was affiliated at the time, Phil Bostron, and without his permission to do so.

12. By managing property without the authorization or knowledge of her broker, Blankenship engaged in the practice of a real estate broker without a real estate broker license in violation of § 339.020, RSMo.

13. Blankenship accepted commissions and/or valuable consideration for the practice of real estate from a person other than the broker with whom she was associated for the management of the E. Delmar Property.

14. In managing the E. Delmar Property, Blankenship misrepresented facts to the Ruddens, including, but not limited to, the following:

- a. The telephone number of the tenant renting the E. Delmar Property;
- b. That the tenant renting the E. Delmar Property had untimely made and/or failed to make rent and deposit payments;
- c. That the tenant had made rent and/or deposit payments via money order when he had in fact made them in cash payments; and
- d. That Blankenship had timely remitted rent and deposit payments owed to the Ruddens when, in fact, she had not done so.

15. In managing the E. Delmar Property, Blankenship failed to timely remit rent and deposit payments owed to the Ruddens.

16. In being interviewed by the MREC investigator regarding the Ruddens' complaint filed with the MREC, Blankenship claimed she had a sister, Cindy Gideon, who sent emails related to the complaint from Blankenship's email account, and Blankenship knowingly provided the investigator with a false address and telephone number for Gideon.

17. Blankenship's conduct in the management of the E. Delmar Property and the MREC's related investigation constitutes violations of §§ 339.100.2(2), (3), (12), (15), (16), and (19), and 339.040.1, RSMo Supp. 2011.

COUNT II
(North Golden Property)

18. In April 2009, Blankenship and J. Fredric Mays agreed that Blankenship would collect the rental payments from a tenant in Mays' rental property located at 1121 North Golden, Springfield, Missouri ("North Golden Property"), use the rental payments collected to pay his mortgage payment on the property, then keep the remaining funds for herself as a fee. In 2011, during Blankenship's term of probation, Blankenship misrepresented facts to Mays, including, but not limited to, the following:

- a. The identity of the tenant purportedly renting the property at the time; and

b. That the tenant had failed to make timely rent payments. Such conduct violates §§ 339.100.2(2), (3), (16), and (19), and 339.040.1, RSMo.

19. On or about March 31, 2011, Blankenship executed a lease with a tenant in the North Golden Property on which she signed Mays' name without Mays' knowledge or consent. She also failed to timely remit \$750 to Mays which had been given to her by the tenant in the North Golden Property as a security deposit, as well as rent payments.

20. Blankenship managed the North Golden Property outside of the supervision of the broker with whom she was affiliated at the time, Phil Bostron, and without his permission to do so.

21. By managing property without the authorization or knowledge of her broker, Blankenship engaged in the practice of a real estate broker without a real estate broker license in violation of § 339.020, RSMo.

22. Blankenship accepted commissions and/or valuable consideration for the practice of real estate from a person other than the broker with whom she was associated for the management of the North Golden Property.

23. Blankenship's conduct in the management of the North Golden Property violates §§ 339.100.2(2), (3), (12), (15), (16), and (19), and 339.040.1, RSMo.

COUNT III

(Washita & S. Luster Properties)

24. Beginning in January 2012, Blankenship managed rental properties located at 3210 Washita, Springfield, Missouri, and 831 S. Luster, Springfield, Missouri (collectively, "Washita and S. Luster Properties"), for the properties' owner, Britney Helm. Blankenship performed management duties, including collecting rental payments remitted by tenants, under an agreement executed between GB's Painting Co.—through which Blankenship managed the property—and Helm on or about January 22, 2012.

25. Blankenship managed the Washita and Luster Properties outside of the broker with whom she was affiliated at the time, Barbara Valene, and in violation of an agreement she entered into with Valene establishing that she would not, as a condition of her employment, practice any form of property management.

26. By managing property without the authorization or knowledge of her broker, Blankenship engaged in the practice of a real estate broker without a real estate broker license in violation of § 339.020, RSMo.

27. Blankenship accepted commissions and/or valuable consideration for the practice of real estate from a person other than the broker with whom she was associated for the management of the Washita and S. Luster Properties.

28. In managing the Washita and S. Luster Properties, Blankenship failed to remit rent payments to Helm and/or provided Helm with checks for such payments which were returned for insufficient funds and/or were issued from a closed account.

29. In managing the Washita and S. Luster Properties, Blankenship failed to remit rent payments to Helm and/or provided Helm with one or more checks drawn from GB's Painting Co. without the consent of Guy Blankenship, the owner of GB's Painting Co.

30. Upon being questioned about a complaint filed with the MREC by Britney Helms regarding Blankenship's actions in managing the Washita and S. Luster Properties, Blankenship provided the MREC investigator with false contact information for Cindy Gideon.

31. Blankenship's conduct in the management of the Washita and S. Luster Properties violates §§ 339.100.2(2), (3), (12), (15), (16), and (19) and 339.040, RSMo.

COUNT IV
(949 S. Fort St. Property)

32. In June and July 2012, Blankenship managed residential rental property at 949 S. Fort St., Springfield, Missouri ("S. Fort Property"), for Larry Huynh.

33. On or about June 16, 2012, Blankenship issued check number 2543 from a Bank of America checking account, number xxxx-xxxx-3332, to Huynh for \$625.00 as remittance of the deposit and rents paid by the tenants at 949 S. Fort St. On or about June 18, 2012, Blankenship's check was returned as having been issued from a "Closed Account" and Huynh was imposed an additional \$4.00 fee for the returned check.

34. Blankenship managed the S. Fort Property outside of the broker with whom she was affiliated at the time, Barbara Valene, and in violation of an agreement she entered into with Valene establishing that she would not, as a condition of her employment, practice any form of property management.

35. Blankenship accepted commissions and/or valuable consideration for the practice of real estate from a person other than the broker with whom she was associated for the management of the S. Fort Property.

36. By managing property without the authorization or knowledge of her broker, Blankenship engaged in the practice of a real estate broker without a real estate broker license in violation of § 339.020, RSMo.

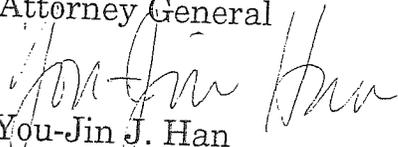
37. Blankenship's conduct in managing the S. Fort Property violates §§ 339.100.2(2), (3), (12), (15), (16), and (19), and 339.040.1, RSMo Supp. 2011.

CONCLUSION

WHEREFORE, Petitioner requests the MREC hold a hearing to determine that violations above occurred and to impose further disciplinary action under Paragraph H of the Disciplinary Order and § 324.042, RSMo Supp. 2012, for those violations, and for such other relief as may be appropriate.

Respectfully submitted,

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