

**SETTLEMENT AGREEMENT BETWEEN MISSOURI REAL ESTATE COMMISSION AND
GRC MANAGEMENT, LLC AND BEN WALLS**

Come now GRC Management, LLC ("GRC") and Ben Walls ("Walls"), and the Missouri Real Estate Commission ("Commission") and enter into this settlement agreement for the purpose of resolving the question of whether GRC, an unlicensed property management company and Walls, a licensed salesperson, will be subject to discipline.

Pursuant to the terms of § 536.060, RSMo,¹ the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri ("AHC") regarding cause to discipline GRC and the salesperson license of Walls, and, additionally, the right to a disciplinary hearing before the Commission under § 621.110, RSMo.

GRC and Walls acknowledge that GRC and Walls understand the various rights and privileges afforded GRC and Walls by law, including the right to a hearing of the charges against GRC and Walls, the right to appear and be represented by legal counsel; the right to have all charges against GRC and Walls proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the hearing against GRC and Walls; the right to present evidence on GRC and Walls' own behalf at the hearing; the right to a decision upon the record by a fair and impartial administrative hearing commissioner concerning the charges pending against GRC and Walls and, subsequently, the right to a disciplinary hearing before the Commission at which time GRC and Walls may present evidence in mitigation of discipline; and the right to recover attorney's fees incurred in defending this action against GRC and against Walls' salesperson license. Being aware of these rights provided them by operation of law, GRC and Walls 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 GRC and Walls.

GRC and Walls acknowledge that GRC and Walls have received a copy of the documents relied upon by the Commission in determining there was cause to discipline GRC and discipline Walls' license, along with citations to law and/or regulations the Commission believes was violated.

For the purpose of settling this dispute, GRC and Walls stipulate that the factual allegations contained in this settlement agreement are true and stipulate with the Commission that GRC, and Walls' salesperson license,

¹ All statutory references are to Missouri Revised Statutes 2000, as amended, unless otherwise indicated.

numbered 2015042766, are subject to disciplinary action by the Commission in accordance with the provisions of Chapter 621 and §§ 339.010-339.205 and 339.710-339.855, RSMo.

Joint Stipulation of Fact and Conclusions of Law

1. The Commission is an agency of the state of Missouri created and established pursuant to § 339.120, RSMo, for the purpose of licensing all persons engaged in the practice as a real estate broker or salesperson in this state. The Commission has control and supervision of the licensed occupations and enforcement of the terms and provisions of Sections 339.010-339.205 and 339.710-339.855, RSMo.

2. Ben Walls is the Organizer, Registered Agent, and holder of the Certificate of Organization for GRC, an unlicensed property management company. Walls registered GRC with the Secretary of State's Office on May 12, 2015, but GRC was never licensed by the Commission as a property management company.

3. Licensee, Walls, holds a real estate salesperson license from the Commission, license number 2015042766. The Commission issued Walls' license on December 7, 2015. Walls' license is active and expires September 30, 2020.

4. The Commission received a complaint alleging Walls had engaged in property management, managing property through GRC Management, LLC. Walls did not have a broker license and he was not working as a salesperson under a broker while engaged in providing property management through GRC.

5. Walls operated GRC from May 2015 through May 2016, and during this time, he managed approximately fifty properties for different owners.

6. Walls may not personally manage the property of others without a Missouri broker license in accordance with section 339.010.1.

7. Licensees' conduct, as described in paragraphs 4 and 5 above, providing real estate services without a valid license, constitutes cause to discipline Licensees' licenses.

8. Section 339.010, RSMo states:

1. A "real estate broker" is any person, partnership, limited partnership, limited liability company, association, professional corporation, or corporation, foreign or domestic who, for another, and for a compensation or valuable consideration, does, or attempts to do, any or all of the following:

(1) Sells, exchanges, purchases, rents, or leases real estate;

- (2) Offers to sell, exchange, purchase, rent or lease real estate;
- (3) Negotiates or offers or agrees to negotiate the sale, exchange, purchase, rental or leasing of real estate;
- (4) Lists or offers or agrees to list real estate for sale, lease, rental or exchange;
- (5) Buys, sells, offers to buy or sell or otherwise deals in options on real estate or improvements thereon;
- (6) Advertises or holds himself or herself out as a licensed real estate broker while engaged in the business of buying, selling, exchanging, renting, or leasing real estate;
- (7) Assists or directs in the procuring of prospects, calculated to result in the sale, exchange, leasing or rental of real estate;
- (8) Assists or directs in the negotiation of any transaction calculated or intended to result in the sale, exchange, leasing or rental of real estate;
- (9) Engages in the business of charging to an unlicensed person an advance fee in connection with any contract whereby the real estate broker undertakes to promote the sale of that person's real estate through its listing in a publication issued for such purpose intended to be circulated to the general public;
- (10) Performs any of the foregoing acts on behalf of the owner of real estate, or interest therein, or improvements affixed thereon, for compensation.

9. Section 339.020, RSMo 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.

10. Cause exists for the Commission to take disciplinary action against Licensees' licenses under § 339.100.2(15), and (19), RSMo, which 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, 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:

(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 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[.]

Joint Agreed Disciplinary Order

11. Based upon the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the Commission in this matter under the authority of §§ 536.060, 621.045.4 and 621.110, RSMo.

12. The terms of discipline shall include that **Walls' real estate salesperson license is hereby placed on PROBATION for a period of ONE (1) YEAR from the effective date of this Order.** During the period of probation on Walls' real estate salesperson license, Walls shall be entitled to practice as a real estate salesperson provided Walls adheres to all the terms stated herein. The period of probation shall constitute the "disciplinary period."

Licensee Walls and GRC Management, LLC shall each pay a civil penalties in the amount of \$1,500.00 (Walls) and \$1,000.00 (GRC), pursuant to § 339.100.3, RSMo. Payment of the civil penalty shall be made by certified check payable to the "Missouri Real Estate Commission" and mailed to the Missouri Real Estate Commission, PO Box 1339, Jefferson City, MO 65102-1339. Said check must be postmarked or hand delivered within 60 days of the effective date of this Settlement Agreement. Funds received pursuant to this Order shall be handled in accordance with Section 7 of Article IX of the Missouri Constitution and Section 339.205.8, RSMo. Failure to pay the full amount of each civil penalty within sixty days of the effective date of this Order shall constitute a violation of this Order.

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

General Terms

a. Walls shall keep the MREC apprised at all times in writing of his current address and telephone number at each place of residence and business. Walls shall notify the MREC in writing within ten days of any change in this information by completing the Address Change Notification form found on the MREC website.

b. Walls shall timely renew Walls' license, timely pay all fees required for license renewal, and comply with all other requirements necessary to maintain his license in a current and active state. During the disciplinary period, Walls shall not place his license on inactive status as would otherwise be allowed under 20 CSR 2250-4.050. Alternatively, without violating the terms and conditions of this Settlement Agreement, Walls may surrender his real estate license by submitting a Surrender of Real Estate Rights form to the MREC along with the original license and any duplicate copies issued to Walls. If Walls applies for a real estate license after surrender, Walls shall be required to requalify as if an original applicant. Walls would have to apply as an original applicant for a salesperson license. The MREC will not be precluded from basing its decision, wholly or partially, on the findings of fact, conclusions of law, and discipline set forth in this Settlement Agreement.

c. Walls shall meet in person with the MREC or its representative at any such time and 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. Walls shall immediately submit documents showing compliance with the requirements of this Order to the MREC when requested by the MREC or its designee.

e. During the probationary period, Walls shall accept and comply with unannounced visits from the MREC's representatives to monitor compliance with the terms and conditions of this Order.

f. Walls shall comply with all relevant provisions of Chapter 339, RSMo, as amended; all rules and regulations of the MREC; and all local, state, and federal laws. "State" as used herein refers to the State of Missouri and all other states and territories of the United States.

g. Walls shall report, in writing, to the MREC each occurrence of Walls being finally adjudicated and found guilty, or entering a plea of guilty or nolo contendere, in a state or federal criminal prosecution, to felony or misdemeanor offenses, within ten business days of each such occurrence.

h. If Walls continues to conduct property management for a third party, GRC shall be licensed as a real estate entity with an appropriate designated broker and Walls will have to transfer his salesperson license to GRC. Alternatively, Walls can affiliate his salesperson license with a licensed brokerage that permits him to conduct property management with the approval of the designated broker of the company where his license is affiliated.

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

15. This Agreement does not bind the Commission or restrict the remedies available to it concerning any future violations by GRC and/or Walls of Chapter 339, RSMo, as amended, or the regulations promulgated thereunder, or of the terms of this Agreement.

16. All parties agree to pay all their own fees and expenses incurred as a result of this case, its settlement or any litigation.

17. The parties to this Agreement understand that the Missouri Real Estate Commission will maintain this Agreement as an open record of the Commission as provided in Chapters 339, 610 and 324, RSMo.

18. The terms of this settlement agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise provided 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.

19. GRC and Walls, together with GRC and Walls' heirs and assigns, and GRC and Walls' attorneys, do hereby waive, release, acquit and forever discharge the Commission, its respective members and any of its employees, agents, or attorneys, including any former Commission members, employees, agents, and attorneys, of, or from, any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited to, any claims for attorney's fees and expenses, including any claims pursuant to § 536.087, RSMo, or any claim arising under 42 U.S.C. § 1983, which may be based upon, arise out of, or relate to any of the matters raised in this case, its settlement, or from the negotiation or execution of this settlement agreement. The parties acknowledge that this paragraph is severable from the remaining portions of this settlement agreement in that it survives in perpetuity even in the event that any court of law deems this settlement agreement or any portion thereof to be void or unenforceable.

20. If no contested case has been filed against GRC and Walls, GRC and Walls have the right, either at the time the settlement agreement is signed by all parties or within fifteen days thereafter, to submit the agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties to

the settlement agreement constitute grounds for denying or disciplining GRC and Walls. If GRC and Walls desire the Administrative Hearing Commission to review this Agreement, GRC and Walls may submit this request to: **Administrative Hearing Commission, United States Post Office Building, 131 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65102-1557.**

21. If GRC and Walls have requested review, GRC and Walls and Commission together request that the Administrative Hearing Commission determine whether the facts set forth herein are grounds for disciplining GRC and Walls and issue findings of fact and conclusions of law stating that the facts agreed to by the parties are grounds for disciplining GRC and Walls. Effective the date the Administrative Hearing Commission determines that the agreement sets forth cause for disciplining GRC and Walls, the agreed upon discipline set forth herein shall go into effect. If the Administrative Hearing Commission issues an order stating that the Settlement Agreement does not set forth cause for discipline, then the Commission may proceed to seek discipline against GRC and Walls as allowed by law. If GRC and Walls do not submit the agreement to the Administrative Hearing Commission for determination, the agreement shall become effective fifteen (15) days following the signature of the Commission's Executive Director.

LICENSEE



Ben Walls, License



GRC Management, LLC
Ben Walls, Organizer/Registered Agent

Date 1-15-19

COMMISSION



Terry W. Moore
Executive Director
Missouri Real Estate Commission

Date 01-25-2019