

**SETTLEMENT AGREEMENT**  
**BETWEEN**  
**MISSOURI REAL ESTATE COMMISSION**  
**AND**  
**STEVEN A. GOLDMAN AND EAGLE REALTY COMPANY**

Steven A. Goldman and Eagle Realty Company (Eagle Realty) and the Missouri Real Estate Commission (MREC) enter into this Settlement Agreement for the purpose of resolving the question of whether Goldman licenses as a real estate broker-officer and real estate broker, nos. 1999021467 and 1999010892, and Eagle Realty's license as a real estate corporation, no. and 000002125, will be subject to discipline. Pursuant to § 536.060, RSMo 2000,<sup>1</sup> 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. 2013. The MREC, Goldman, and Eagle Realty jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo Supp. 2013.

Goldman and Eagle Realty 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

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

by legal counsel; the right to have all charges proven upon the record by competent and substantial evidence; the right to 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 Goldman and Eagle Realty 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, Goldman and Eagle Realty 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.

Goldman and Eagle Realty 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. Goldman and Eagle Realty stipulate that the factual allegations contained in this Settlement Agreement are true and

stipulate with the MREC that Goldman's licenses as a real estate broker-officer and real estate broker, nos. 1999021467 and 1999010892, and Eagle Realty's license as a real estate corporation, no. 000002125, respectively, are subject to disciplinary action by the MREC in accordance with the relevant provisions of Chapter 621, RSMo, and §§ 339.010 through 339.205 and §§ 339.710 through 339.855, RSMo, as amended.

The parties stipulate and agree that the disciplinary order agreed to by the MREC, Goldman and Eagle Realty in Part II herein is based only on the agreement set out in Part I herein. Goldman and Eagle Realty 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, Goldman and Eagle Realty herein jointly stipulate to the following:

1. At all times relevant herein, Goldman was the designated broker of Eagle Realty Company (Eagle Realty), as defined by § 339.710(12), RSMo Supp. 2013, and as such, Goldman bears responsibility for his own conduct as well as that of Eagle Realty under 20 CSR 2250-8.020(1).

2. On or about June 23, 2008, an MREC auditor conducted an audit and examination of Goldman's and Eagle Realty's business records and escrow accounts (the "Audit") for the period of June 2007 to June 2008 (the "Audit Period").

3. Based on the results of the Audit, Goldman and Eagle Realty entered into a settlement agreement with the MREC in which Goldman agreed that his licenses as a real estate broker-officer and real estate broker, license nos. 1999021467 and 1999010892, and Eagle Realty's license as a real estate corporation, license no. 000002125, were subject to discipline of two (2) years' probation and a civil penalty of \$2,500. The Settlement Agreement became effective on November 25, 2011.

4. The terms of the probationary period are stated as follows in the Settlement Agreement, pages 25-31, and they provide in pertinent part on page 27, paragraph 44(G):

Goldman and Eagle Realty Co. 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.

5. On or about November 7 through 20, 2012, an MREC auditor conducted a re-audit and examination of Goldman's and Eagle Realty's

business records and escrow accounts (the "Re-Audit") for the period of November 2011 through November 2012 (the "Re-Audit Period").

6. During the Re-Audit Period, Goldman and Eagle Realty maintained a bank account in which they held client funds relating to property management. This account was maintained at the PNC Bank, account no. xxxxxx1027 ("Property Management Escrow Account").

7. The Re-Audit revealed that on numerous instances during the Re-Audit Period, there were shortages in the Property Management Escrow Account because funds were disbursed when the account balance was not sufficient to cover the disbursement, in violation of § 339.105.1, RSMo Supp. 2012 and 20 CSR 2250-8.220(1), which state:

**Section 339.105.1, RSMo Supp. 2012:** 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.

**Rule 20 CSR 2250-8.220(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.

8. The Re-Audit revealed that during the Re-Audit Period, Goldman and Eagle Realty entered into six (6) management agreements that did not contain a statement that permits or prohibits an offer of sub-agency, in violation of § 339.780.2, RSMo Supp. 2012, and 20 CSR 2250-8.090(9)(G), which state:

**Section 339.780.2, RSMo.:** Before engaging in any of the activities enumerated in section 339.010, a designated broker intending to establish a limited agency relationship with a seller or landlord shall enter into a written agency agreement with the party to be represented. The agreement shall include a licensee's duties and responsibilities specified in section 339.730 and the terms of compensation and shall specify whether an offer of subagency may be made to any other designated broker.

**Rule 20 CSR 2250-8.090(9)(G):** Every written property management agreement or other written authorization between a broker and the owners of the real estate shall:

.....

(G) Contain a statement which permits or prohibits the designated broker from offering subagency (not applicable for transaction broker agreements)[.]

9. The six (6) management agreements did not specify the required minimum services, in violation of § 339.780.7, RSMo Supp. 2012, which states:

7. All exclusive brokerage agreements shall specify that the broker, through the broker or through one or more affiliated licensees, shall provide, at a minimum, the following services:

(1) Accepting delivery of and presenting to the client or customer offers and counteroffers to buy, sell, or lease the client's or customer's property or the property the client or customer seeks to purchase or lease;

(2) Assisting the client or customer in developing, communicating, negotiating, and presenting offers, counteroffers, and notices that relate to the offers and the counteroffers until a lease or purchase agreement is signed and all contingencies are satisfied or waived; and

(3) Answering the client's or customer's questions relating to the offers, counteroffers, notices, and contingencies.

10. The six (6) management agreements did not include a statement that permits or prohibits the broker from acting as a dual agent, in violation of 20 CSR 2250-8.090(9)(H), which states:

(9) Every written property management agreement or other written authorization between a broker and the

owners of the real estate shall:

....

(H) Contain a statement which permits or prohibits the designated broker and/or affiliated licensee from acting as a disclosed dual agent and if permitted, the duties and responsibilities of a dual agent[.]

11. The six (6) management agreements did not include a statement which permits or prohibits the broker from acting as a transaction broker, in violation of 20 CSR 2250-8.090(9)(I) which states:

(9) Every written property management agreement or other written authorization between a broker and the owners of the real estate shall:

....

(I) Contain a statement which permits or prohibits the designated broker and/or affiliated licensee from acting as a transaction broker and if permitted, the duties and responsibilities of a transaction broker[.]

12. The six (6) management agreements did not specify whether the designated broker is authorized to cooperate with and compensate other designated brokers, in violation of 20 CSR 2250-8.090(9)(J), which states:

(9) Every written property management agreement or other written authorization between a broker and the owners of the real estate shall:

....

(J) Include specification of whether or not the designated broker is authorized to cooperate with and

compensate other designated brokers acting pursuant to any other brokerage relationship as defined by sections 339.710 to 339.860, RSMo, including but not limited to tenant's agents and/or transaction brokers

13. The Re-Audit revealed that during the Re-Audit Period, Eagle Realty was legally incorporated with the Missouri Secretary of State as "Eagle Realty Company," but Goldman and Eagle Realty also used the fictitious name of "Eagle Realty" in the brokerage's written policy. Eagle Realty registered the fictitious name of "Eagle Realty" with the Missouri Secretary of State's Office, but failed to furnish a copy of the registration with the MREC, in violation of 20 CSR 2250-4.030(1), which provides:

(1) Any broker doing business under any name other than the broker's legal name or any entity doing business under any name other than the name registered with the secretary of state, shall first comply with the provisions of sections 417.200-417.230, RSMo on the registration of fictitious names and shall furnish the commission a copy of the registration within ten (10) days of receipt of the official registration from the secretary of state.

14. During the Re-Audit Period, Eagle Realty Company, by and through Goldman, entered into one (1) lease agreement that did not disclose the brokerage relationship and did not disclose that either Eagle Realty or

Goldman were real estate licensees, and such brokerage relationship and licensee status was not disclosed in a separate form.

15. During the Re-Audit Period, Eagle Realty, by and through Laura J. Baur, a licensed real estate salesperson affiliated with Eagle Realty, entered into thirteen (13) lease agreements without disclosing the brokerage relationship and/or did not disclose that either Eagle Realty or Goldman were real estate licensees, and such brokerage relationship and/or licensee status were not disclosed in a separate form.

16. The failure of Eagle Realty and/or Goldman to disclose in writing the brokerage relationship of Eagle Realty, Goldman and/or Baur as real estate licensees violated 20 CSR 2250-8.096(1), which states:

(1) Licensees acting with or without a written agreement for brokerage services pursuant to sections 339.710 to 339.860, RSMo, are required to have such relationships confirmed in writing by each party to the real estate transaction on or before such party's first signature to the real estate contract. Nothing contained herein prohibits the written confirmation of brokerage relationships from being included or incorporated into the real estate contract, provided that any addendum or incorporated document containing the written confirmation must include a separate signature section for acknowledging the written confirmation that shall be signed and dated by each party to the real estate transaction.

17. The failure of Eagle Realty and/or Goldman to disclose in writing their status as real estate licensees to the lessees/tenants violates 20 CSR 2250-8.110(1) and (2), which state:

(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.

18. Goldman's and Eagle Realty's violations of statutes and regulations stipulated to herein also violate Paragraph 44(G) of the Settlement Agreement, which provides cause for further discipline of the real estate licenses of Goldman and Eagle Realty under § 324.042, RSMo Supp. 2013.

## 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 §§ 621.045.4 and 621.110, RSMo Supp. 2013.

19. **Goldman's licenses are on probation.** Goldman's licenses as a real estate broker-officer and as a real estate broker are hereby placed on PROBATION for a period of TWO YEARS. The period of probation shall constitute the "disciplinary period." During the disciplinary period, Goldman shall be entitled to practice as a real estate broker-officer and as a real estate broker under §§ 339.010 through 339.205 and §§ 339.710 through 339.855, RSMo, as amended, provided Goldman adheres to all the terms of this agreement.

20. **Eagle Realty's license is on probation.** Eagle Realty's license as a real estate corporation is hereby placed on PROBATION for a period of TWO YEARS. The period of probation shall constitute the "disciplinary period." During the disciplinary period, Eagle Realty shall be entitled to practice as a real estate corporation under §§ 339.010 through 339.205 and §§ 339.710 through 339.855, RSMo, as amended, provided Eagle Realty adheres to all the terms of this agreement.

21. **Terms and conditions of the disciplinary period.** The terms and conditions of the disciplinary period are as follows:

A. Goldman and Eagle Realty shall keep the MREC apprised at all times of their current address and telephone number at each place of residence and business. Goldman and Eagle Realty shall notify

the MREC in writing within ten (10) days of any change in this information.

B. Goldman and Eagle Realty 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. During the disciplinary period, Goldman and Eagle Realty shall not place their real estate license(s) on inactive status as would otherwise be allowed under 20 CSR 2250-4.040. Alternatively, without violating the terms and conditions of this Settlement Agreement, Goldman and Eagle Realty may surrender their real estate license(s) by submitting a letter to the MREC and complying with 20 CSR 2250-8.155. If Goldman and/or Eagle Realty apply for a real estate license after surrender, Goldman and/or Eagle Realty shall be required to requalify as if an original applicant and 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. Goldman and Eagle Realty 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. Goldman and Eagle Realty 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, Goldman and Eagle Realty 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. Goldman and Eagle Realty 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. Any cause to discipline Goldman and Eagle Realty's licenses as a real estate broker-officer, real estate broker, or real estate corporation under § 339.100.2, RSMo, as amended, that accrues during the disciplinary period shall also constitute a violation of this Settlement Agreement.

G. Broker Acknowledgement. If at any time during the disciplinary period Goldman wishes to transfer his license affiliation to a new broker/brokerage, he must submit a Broker Acknowledgment form signed by the new broker. This acknowledgement is in addition to any other required application, fee, and documentation necessary to transfer their license. Goldman must obtain the Broker Acknowledgement form from the MREC.

H. Quarterly Reconciliations and Reports. Goldman and Eagle Realty shall, at their own expense, ensure that quarterly audits of any trust or escrow accounts used by Goldman and/or Eagle Realty in conducting property management activities, including property management trust accounts and security deposit trust accounts, are conducted and completed by Lawanda Elgin. If Lawanda Elgin is unable to perform the duties required by these paragraphs, Goldman and Eagle Realty shall submit within 10 days to the MREC in writing a list of at least three CPAs, including the CPA's name, address and relationship to Goldman and Eagle Realty. The MREC may approve one of the listed CPAs or may require Goldman and Eagle Realty to submit additional names for consideration and approval. Goldman and Eagle

Realty shall, at their own expense, retain the approved CPA to conduct and complete the quarterly audits.

The quarterly audit for each account should include a three-way reconciliation between the check register, the bank balance, and the owner balance(s). Such quarterly audits shall begin with the first quarter of 2015 (ending on March 31, 2015), and continue quarterly throughout the disciplinary period. Within 30 days of each quarter's end date, Goldman and Eagle Realty shall cause the CPA who conducted the audit to mail to the MREC by certified mail, return receipt requested, a signed statement from the CPA confirming that the CPA completed the quarterly reconciliation of the escrow or trust account(s). All documents necessary to prove the reconciliation should be submitted with the CPA's statement. If the CPA should find through the three-way reconciliation that the accounts were not balanced, the CPA report should include the detail and documentation necessary to show that all discrepancies were identified and corrected.

I. Civil Monetary Penalty. Goldman and Eagle Realty agree to pay a civil penalty of \$3,500, as authorized under § 339.205, RSMo Supp. 2013, and as follows:

(1) Goldman and Eagle Realty agree to pay the \$3,500 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. Goldman and Eagle Realty shall postmark and mail or hand deliver said check within 60 days of the date when this Settlement Agreement becomes effective.

(2) In the event the MREC determines that Goldman and Eagle Realty have failed to pay any portion of the \$3,500 agreed upon herein or have violated any other term or condition of this Settlement Agreement, the MREC may, in its discretion: (a) 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. 2013; (b) after an evidentiary hearing, vacate and set aside the penalty imposed herein and may probate, suspend, revoke, or otherwise lawfully discipline Goldman and Eagle Realty's license under § 324.042, RSMo. Supp. 2013; and (c) deny, discipline, or refuse to renew or reinstate Goldman and Eagle Realty's license under § 339.205.7, RSMo Supp. 2013.

22. Upon the expiration of the disciplinary period, the licenses of Goldman and Eagle Realty shall be fully restored if all requirements of law have been satisfied; provided, however, that in the event the MREC determines that Goldman and Eagle Realty have 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 Goldman and Eagle Realty's licenses.

23. 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.

24. This Settlement Agreement does not bind the MREC or restrict the remedies available to it concerning any future violations by Goldman and Eagle Realty of §§ 339.010 through 339.205 and §§ 339.710 through 339.855, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Settlement Agreement.

25. 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.

26. 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. Goldman and Eagle Realty agree and stipulate that the MREC has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred.

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

28. 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.

29. 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 324, 339, and 610, RSMo, as amended.

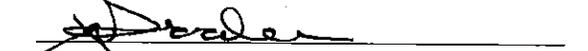
30. Goldman and Eagle Realty, together with their partners, shareholders, officers, directors, heirs, assigns, agents, employees, representatives and attorneys, do hereby waive, release, acquit and forever discharge the MREC, their respective members, employees, agents and attorneys including former 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.

31. This Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREC.

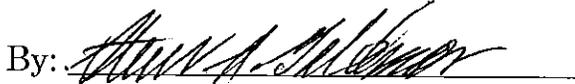
LICENSEE

MISSOURI REAL ESTATE  
COMMISSION

  
Steven A. Goldman Date 1/13/15

  
Janet Carder, Executive Director  
Date: January 27, 2015

EAGLE REALTY COMPANY

By:   
Steven A. Goldman, President  
Date: 1-13-15

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