

SETTLEMENT AGREEMENT BETWEEN
MISSOURI REAL ESTATE COMMISSION
AND JUNE LYNN IVANOV

COMES NOW the parties, the Petitioner Missouri Real Estate Commission ("Commission") and Respondent June Lynn Ivanov ("Licensee" or "Ivanov"), and enters into this *Settlement Agreement* ("Agreement"), for the purpose of resolving the question of whether Ivanov's Missouri real estate license(s) is subject to discipline. Ivanov and the Commission jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to §621.045 RSMo.

I. ACKNOWLEDGEMENT AND WAIVER OF RIGHTS

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 the Ivanov's licenses, and, additionally, the right to a disciplinary hearing before the Commission under §621.110, RSMo.

Ivanov acknowledges that she understands the various rights and privileges afforded her by law, including: 1) the right to a hearing of the allegations against her; 2) the right to appear and be represented by legal counsel at her expense; 3) the right to have all allegations against her proven upon the record by competent and substantial evidence; 4) the right to cross-examine any witness appearing at the hearing against her; 5) the right to present evidence on her behalf at the hearing; 6) the right to a decision upon the record of the hearing by a fair and impartial

¹ All statutory references are to Missouri Revised Statutes 2016, as amended, unless otherwise indicated.

administrative hearing commissioner concerning the complaint pending against her; 7) the right to a ruling on questions of law by the Commission; 8) the right to a claim for attorneys' fees and expenses; and 9) the right to obtain judicial review of the decision of the Commission that her licenses is subject to discipline.

Being aware of these rights provided Ivanov by operation of law, Ivanov knowingly and voluntarily waives each and every one of these rights and freely enters into this Agreement.

Ivanov waives her right to a hearing before the Commission, and any rights associated with that hearing; and, Ivanov waives her right to obtain judicial review of the decision of the Commission concerning what, if any, discipline the Commission may impose

Ivanov acknowledge that she has received a copy of the documents relied upon by the Commission in determining there was cause to discipline her license(s), along with citations to law and/or regulations the Commission believes were violated.

For the purpose of settling this dispute, Ivanov stipulates that the factual allegations contained in this Agreement are true and stipulates with the Commission that her real estate broker salesperson license, No. 2004020736 and her pending broker license application, pre-license No. 1680791 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.

II. Joint Stipulation of Facts 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 §§339.010-339.205 and §§339.710-339.855, RSMo.

2. Ivanov holds a real estate broker salesperson license No. 2004020736 from the Commission. The Commission issued this license on June 16, 2004 and was current and active at all relevant times herein. Harold E. Westerman is the designated broker for Rental Investment Management Services, LLC ("RIMS") at all times relevant herein.

3. Ivanov has a real estate broker license application, pre-license No. 1680791, which is currently pending before the Commission. This license has not been issued.

4. Ivanov acknowledges that she may, at the time this Agreement is effective or within fifteen (15) days thereafter, submit this Agreement to the Administrative Hearing Commission ("AHC") for determination that the facts agreed to by the parties constitute grounds for discipline of her licenses. Ivanov acknowledges that she has been informed of a right to consult legal counsel in this matter at her own cost.

5. On or about January 22, 2016, the Commission received a complaint from C.N., concerning Rental Investment Management, LLC's ("RIM") failure to return security deposits owed to C.N. for properties under management with Rental Investment Management, LLC.

6. On or about June 7, 2016, the Commission received a complaint from J.M/L.M., concerning Rental Investment Management, LLC's failure to return security deposit's owed to J.M/L.M., for properties under management with Rental Investment Management, LLC

7. The Commission conducted an investigation into both complaints contained in paragraphs 5 and 6, which revealed the following violations:

8. Failed to Properly Deposit Moneys in a Special Account. Ivanov failed to deposit money received for security deposits, in a special account, separate and apart from her personal or other business accounts, entrusted to her as the temporary custodian of the funds of others, until the transaction is consummated or terminated, in violation of §339.100.2(1), RSMo, RIMS maintained a Security Deposit Escrow Account, Account No. XXXX525, with First National Bank, to wit:

- a. In October of 2014, property located at 1614 West Whiteside in Springfield was rented and an \$850.00 security deposit was paid to and received by Ivanov. The \$850.00 security deposit was never deposited into the RIMS Security Deposit Escrow Account.
- b. In October of 2014, property located at 5581 S. Michigan in Springfield was rented and a \$1,000.00 security deposit and a \$200.00 pet deposit

was paid to and received by Ivanov. The \$1,000.00 security deposit and the \$200.00 pet deposit were never deposited into the RIMS Security Deposit Escrow Account.

- c. In May of 2015 property located at 816 N. Prospect in Springfield was rented and a \$625.00 security deposit was paid in cash and received by Ivanov. The \$625.00 security deposit was never deposited into the RIMS Security Deposit Escrow Account.
- d. In May of 2014, property located at 816 N. Prospect in Springfield was rented and a \$600.00 security deposit and a \$200.00 pet deposit, was paid in cash to and received by Ivanov. The \$600.00 security deposit and the \$200.00 pet deposit were never deposited into the RIMS Security Deposit Escrow Account.
- e. In December of 2013, property located at 816 N. Prospect in Springfield was rented and \$500.00 in cash was paid to and received by Ivanov as a partial payment for both the security and pet deposit for the property. The \$500.00 partial security and pet deposit were never deposited into the RIMS Security Deposit Escrow Account.
- f. In February of 2015, property located at 2631 E. Loren in Springfield was rented and a \$925.00 security deposit was paid by check #1501 and the check was made payable to Ivanov. The \$925.00 security deposit was never deposited into the RIMS Security Deposit Escrow Account.

- g. In April of 2014, property located at 3023 N. Pierce in Springfield was rented and a \$700.00 security deposit was paid in cash to and received by Ivanov. The \$700.00 security deposit was never deposited into RIMS Security Deposit Escrow Account.
- h. In July of 2015, property located at 5716 S. Clay in Springfield was rented and a \$1,395.00 security deposit was paid to and received by Ivanov. The \$1,395.00 security deposit was never deposited into the RIMS Security Deposit Escrow Account.
- i. In July of 2015, property located at 3760 S. Fort in Springfield was rented and a \$1,195.00 security deposit was paid to and received by Ivanov. The \$1,195.00 security deposit was never deposited into the RIMS Security Deposit Escrow Account.

9. Misrepresentations concerning money received. During the investigation, it was determined that Ivanov made substantial misrepresentations and concealed or omitted a material fact concerning money received by Ivanov for security and/or pet deposits, that the money was being held by RIMS for the property owner and/or tenant, when in fact the money was not being held by RIMS in the Security Deposit Escrow Account, in violation of §339.100.2(2), RSMo, to wit:

- a. In October of 2014, property located at 1614 West Whiteside in Springfield was rented and an \$850.00 security deposit was paid to and received by Ivanov but was never deposited into the RIMS Security Deposit Escrow Account. The invoice for November 2014

shows that \$850.00 being held by RIMS which was a substantial misrepresentation of a material fact that money entrusted to Ivanov was being properly held by RIMS in an escrow account, since the money was never deposited into the RIMS Security Deposit Escrow Account.

- b. In October of 2014, property located at 5581 S. Michigan in Springfield was rented and a \$1,000.00 security deposit and a \$200.00 pet deposit was paid to and received by Ivanov but were never deposited into the RIMS Security Deposit Escrow Account. The invoice for November 2014 shows that a \$1,000.00 security deposit, and the invoice for December 2014 shows that a \$200.00 pet deposit, being received and held by RIMS which was a substantial misrepresentation of a material fact that money entrusted to Ivanov was being properly held by RIMS since the money was never deposited into the RIMS Security Deposit Escrow Account.
- c. In May of 2015 property located at 816 N. Prospect in Springfield was rented and a \$625.00 security deposit was paid in cash to and received by Ivanov but was never deposited into the RIMS Security Deposit Escrow Account. The invoice for June 2015 shows that a \$625.00 security deposit being held by RIMS which was a substantial misrepresentation of a material fact that money entrusted to Ivanov

was being properly held by RIMS since the money was never deposited in the RIMS Security Deposit escrow account.

d. In May of 2014, property located at 816 N. Prospect in Springfield was rented and a \$600.00 security deposit and a \$200.00 pet deposit was paid in cash to and received by Ivanov but was never deposited into the RIMS Security Deposit Escrow Account. The invoice for June 2014 shows a \$600.00 security deposit being held RIMS which was a substantial misrepresentation of a material fact that money entrusted to Ivanov was being properly held by RIMS since the money was never deposited in the RIMS Security Deposit escrow account. The \$200.00 pet deposit was never documented on any invoice for the rest of 2014. The failure to document the receipt of the \$200.00 pet deposit was an omission of a material fact and a misrepresentation by Ivanov concerning receipt of payment for the pet deposit.

e. In December of 2013, property located at 816 N. Prospect in Springfield was rented and \$500.00 in cash was paid to and received by Ivanov as a partial payment for the security and full payment of the pet deposit for the property but was never deposited in RIMS Security Deposit Escrow Account. The invoice for December 2013 shows a \$600.00 security deposit being held by RIMS. A receipt dated December 20, 2013, receipt # 677796, shows that \$500.00 in cash was given to Ivanov for ½ the deposit and the \$200.00 pet fee. The invoice

for December 2013 shows that a \$600.00 security deposit was being held by RIMS which was a substantial misrepresentation of a material fact that money entrusted to Ivanov was being properly held by RIMS since the money was never deposited in the RIMS Security Deposit escrow account. In addition, the tenant only provided \$300.00 of the required \$600.00 security deposit, which was a substantial misrepresentation of a material fact that the tenant had paid the full contractual amount for the security deposit. The failure to document the receipt of the \$200.00 pet deposit was an omission of a material fact and a misrepresentation of what transpired during the transaction.

- f. In February of 2015, property located at 2631 E. Loren in Springfield was rented and a \$925.00 security deposit was paid by check #1501 and was made payable to Ivanov but was never deposited into the RIMS Security Deposit Escrow Account. The invoice for March 2014 shows that a \$925.00 security deposit was being held by RIMS which was a substantial misrepresentation of a material fact that money entrusted to Ivanov was being properly held by RIMS since the money was never deposited in the RIMS Security Deposit escrow account. The invoice for March 2014, with an invoice date of March 5, 2015, shows that a \$200.00 pet deposit was being held by RIMS, which was a substantial misrepresentation of a material fact that money entrusted

to Ivanov was being properly held by RIMS, since the money was never deposited in the RIMS Security Deposit escrow account.

- g. In April of 2014, property located at 3023 N. Pierce in Springfield was rented and a \$700.00 security deposit was paid in cash to and received by Ivanov but was never deposited into RIMS Security Deposit Escrow. The invoice for May of 2014 shows a \$700.00 security deposit was being held by RIMS, which was a substantial misrepresentation of a material fact that money entrusted to Ivanov was being properly held by RIMS since the money was never deposited in the RIMS Security Deposit escrow account.
- h. In July of 2015, property located at 5716 S. Clay in Springfield was rented and a \$1,395.00 security deposit was paid to and received by Ivanov but was never deposited into the RIMS Security Deposit Escrow. The invoice for July of 2014 shows a \$1,395.00 security deposit was being held by RIMS, which was a substantial misrepresentation of a material fact that money entrusted to Ivanov was being properly held by RIMS since the money was never deposited in the RIMS Security Deposit escrow account.
- i. In July of 2015, property located at 3760 S. Fort in Springfield was rented and a \$1,195.00 security deposit was paid to and received by Ivanov but was never deposited into the RIMS Security Deposit Escrow. The invoice for July of 2014 shows a \$1,195.00 security deposit

was being held by RIMS, which was a substantial misrepresentation of a material fact that money entrusted to Ivanov was being properly held by RIMS since the money was never deposited in the RIMS Security Deposit escrow account.

10. Failed to Properly Deposit Moneys in a Special Account. During the investigation, it was determined that Ivanov failed to deposit money received from Springfield Community Land Trust, to assist with monthly rent for a tenant, in a special account, separate and apart from her personal or other business accounts, in violation of §339.100.2(1), RSMo. On February 19, 2014, Springfield Community Land Trust issued cashiers' check # 0000353136, payable to Ivanov in the amount of \$6,600.00, to assist with the monthly rents for Tenant N.E.V., for property managed by RIMS. On February 19, 2014, check #0000353136 was deposited into Ivanov's personal bank account and not into an account managed by RIMS, in violation of §339.100.2, RSMo.

11. Section 339.100.2, RSMo, states, in relevant part:

(1) Failure to maintain and deposit in a special account, separate and apart from his or her personal or other business accounts, all moneys belonging to others entrusted to him or her while acting as a real estate broker or as the temporary custodian of the funds of others, until the transaction involved is consummated or terminated, unless all parties having an interest in the funds have agreed otherwise in writing;

(2) Making substantial misrepresentations or false promises or suppression, concealment or omission of material fact 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[.]

12. Ivanov's conduct, as described in paragraphs 8 through 11 above,
constitutes cause to discipline Ivanov's licenses.

13. Cause exists for the Commission to take disciplinary action against
Ivanov's licenses under § 339.100.2(3), (14), (15), (16) 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:

(3) Failing within a reasonable time to account for or
to remit any moneys, valuable documents or other
property, coming into his or her possession which
belongs to others;

(15) Violation of, or attempting to violate, directly or
indirectly, or assisting or enabling any person to violate,
any provision of sections 339.010 to 339.180 and sections
339.710 to 339.860*, or 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[.]

III. Joint Agreed Disciplinary Order

14. Based on 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. This Agreement will become effective fifteen (15) calendar days from the date this Agreement is signed by the MREC's Executive Director.

15. Ivanov's real estate broker salesperson license No. 2004020736, Issued by the Commission, and her pending real estate broker application with pre-license No. 1680791, are hereby Voluntarily Surrendered by Ivanov, in lieu of the MREC seeking disciplinary action against Ivanov's licenses.

16. Within thirty (30) days of the effective date of this Agreement, Ivanov shall return the original real estate license(s) issued to Ivanov by the Commission, and any indicia of Ivanov's real estate license, to the Commission's office. Ivanov shall surrender her real estate license by submitting a Surrender of Licensure Rights form to the Commission along with the original license and any duplicate copies issued to her. If Ivanov applies for a real estate license after surrender, Ivanov shall be required to requalify as if original applicant. Ivanov would have to apply as an original applicant for a salesperson license. The Commission 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 Agreement.

17. If Ivanov is licensed in other jurisdictions, Ivanov shall forward written notice of this disciplinary action to the real estate licensing authorities of those jurisdictions within thirty (30) days of the effective date of this Agreement. Ivanov shall submit a copy of the written notice to the Commission contemporaneously sending it to the relevant licensing authority. If Ivanov is not licensed in other jurisdictions, she shall notify the Commission of that fact, in writing, within thirty (30) days of the effective date of this Agreement.

18. Ivanov shall, within ten (10) days of the effective date of this Agreement, send written notification to any licensed affiliate associated with the Licensee's broker or brokerage license(s) giving notice of the surrender of the broker/brokerage license and the closure of the entity.

19. For the purposes of this Agreement, and unless otherwise specified herein, all reports, documentation, license, or other materials Licensee is required to submit to the Commission in this agreement shall be forwarded to the Missouri Real Estate Commission, P. O. Box 1339, Jefferson City, MO 65102-1339.

20. 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.

21. This Agreement does not bind the Commission or restrict the remedies available to it concerning any future violations by Ivanov of Chapter 339, RSMo, as

amended, or the regulations promulgated thereunder, or of the terms of this Agreement.

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

23. The parties to this Agreement understand that the Missouri Real Estate Commission will maintain this Agreement as an open public record of the Commission as provided in Chapters 339, 610 and 324, RSMo., and that Ivanov is surrendering her real estate license in lieu of possible discipline.

24. The terms of this Agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise provided herein, neither this 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.

25. Ivanov, together with Ivanov's heirs, assigns, and 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 Agreement.

The parties acknowledge that this paragraph is severable from the remaining portions of this Agreement, in that it survives in perpetuity even in the event that any court of law deems this Agreement, or any portion thereof, to be void or unenforceable.

26. This Agreement shall become effective fifteen (15) calendar days following the signature of the Commission's Executive Director.

Respectfully submitted,

ERIC S. SCHMITT
ATTORNEY GENERAL



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Date: 08/01/19



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Date: 7-18-19

RECEIVED

AUG 05 2019

MREC



Mr. Terry Moore, Executive Director
Missouri Real Estate Commission

Date: AUGUST 6, 2019