# WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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#### **STATE OF WISCONSIN**

#### **BEFORE THE REAL ESTATE BOARD**

IN THE MATTER OF DISCIPLINARY :

PROCEEDINGS AGAINST :

: FINAL DECISION AND ORDER

SANDY M. GEHRKE, ROGER H. :

**GEHRKE, BRENT A. WERNLUND and**:

EDINA REALTY, INC., : LS0303073REB

Respondents :

#### Division of Enforcement File 00 REB 282

Complainant, the Wisconsin Department of Regulation and Licensing, (hereafter referred to as the "Department"), Division of Enforcement, by its attorney Colleen M. Baird upon information and belief complains and alleges as follows:

- 1. Respondent **Sandy M. Gehrke** (D.O.B. 6/17/43) is a licensed real estate broker, having license number #90-23141, granted on January 24, 1989. Respondent's latest known business address on file with the Department of Regulation and Licensing is 866 Wyldwood Lane, Hudson, Wisconsin, 54016.
- 2. At all times relevant hereto, Sandy M. Gehrke was a real estate broker with Edina Realty, Inc., Hudson, Wisconsin.
- 3. Respondent **Roger H. Gehrke** (D.O.B. 7/13/41) is a licensed real estate salesperson, having license number #94-47061, granted on April 29, 1997. Respondent's latest known business address on file with the Department of Regulation and Licensing is 866 Wyldwood Lane, Hudson, Wisconsin, 54016.
- 4. At all times relevant hereto, Roger H. Gehrke was a real estate salesperson with Edina Realty, Inc., Hudson, Wisconsin.
- 5. Respondent **Brent A. Wernlund** (D.O.B. 11/28/49) is a licensed real estate broker, having license number #90-15527, granted on April 26, 1978. Respondent's latest known business address on file with the Department of Regulation and Licensing is 290 Cove Road, Hudson, Wisconsin, 54016.
- 6. At all times relevant hereto, Brent A. Wernlund was the supervising broker for Edina Realty, Inc., Hudson, Wisconsin.
- 7. Respondent **Edina Realty, Inc.,** a Wisconsin corporation, is a licensed real estate business entity in Hudson, Wisconsin, having license number #91-28555, granted on March 22, 1983. The latest known address of Edina Realty, Inc., on file with the Department of Regulation and Licensing is 400 2<sup>nd</sup> Street South, Hudson, Wisconsin, 54016.

#### Iverson/Kusilek/Coty Transaction

- 8. On or about November 27, 2000, the Department received a complaint from Jonathan Coty against Sandy Gehrke in connection with his purchase of a residential lot that was listed for sale by Edina Realty, Inc.
- 9. On April 13, 2000, Mark and Cindy Iverson entered into an exclusive listing contract with Sandy Gehrke to sell a residential lot in Hudson, Wisconsin. A true and correct copy of the WB-3 Vacant Land Contract Exclusive Right to Sell is attached and incorporated herein as **State's Exhibit A**.
- 10. On May 16, 2000, Jonathan Coty submitted a Vacant Land Offer to Purchase drafted by his buyer's agent, Tami Johnson, for less than full price. A true and correct copy of Coty's Offer to Purchase is attached and incorporated herein as **State's Exhibit B.**
- 11. Tami Johnson attached a memo to the offer from her client, explaining that he had taken various factors into consideration, such as the cost of developing the property and other restrictions, when determining his offering price. The memo indicated that while the price was lower, he could pay cash and close quickly. A true and correct copy of the broker's memo is attached and incorporated herein as **State's Exhibit C.**
- 12. Roger Gehrke also showed the Iverson property to an interested couple, Daniel and Susan Kusilek. The Kusileks liked the property and wanted to write an offer right away.
- 13. Sandy Gehrke told the Kusileks that they should make their best offer because the seller may not accept less than full price. She also told the Kusileks that they should put down as much earnest money as they could, because it looks better to the seller.
- 14. On May 16, 2000, Sandy Gehrke drafted an offer for the Kusileks of \$90,000.00, with \$6,000.00 earnest money. The list price was \$99,000.00. The offer was contingent upon the buyers obtaining conventional financing with a specified fixed rate of financing and monthly payments. A true and correct copy of the Kusilek Offer to Purchase is attached and incorporated herein as **State's Exhibit D.**
- 15. The Kusileks were in the home construction and remodeling business, they recognized that the property was desirable because of its proximity to the water, but it had limitations due to the steep slope and lot size. Sandy Gehrke was aware that the Kusileks had been approved for a loan to purchase the lot. The Kusileks discussed their building plans with their lender but they did not get final approval for a loan in the full amount of their projected costs.
- 16. The Kusileks provided a copy of their loan pre-approval letter for the lot to Sandy Gehrke at the time of their offer. The letter indicated that they would be likely approved for a loan of approximately \$90,000.00. A true and correct copy of the letter from First Federal Saving Bank is attached and incorporated herein as **State's Exhibit E.**
- 17. The Kusileks tendered a substantial down payment with their offer, payable to the Edina Realty trust account. A true and correct copy of the buyer's earnest money check is attached and incorporated herein as **State's Exhibit F.**
- 18. The Kusileks' offer was accepted by the Iversons without modification, including a subsequent

Amendment to the Offer, which addressed a credit to the buyers for certain items not included with the property, and a closing date of July 24, 2000. A true and correct copy of the first WB-40 Amendment is attached and incorporated herein as **State's Exhibit G.** 

- 19. When Mr. Coty learned that the Kusilek offer was accepted, he directed his agent to submit a secondary cash offer for \$90,000.00 with no contingencies, and earnest money of \$1,000.00 within four days of being notified that his offer was primary. A true and correct copy of Mr. Coty's secondary offer is attached and incorporated herein as **State's Exhibit H.**
- 20. On June 14, 2000, the Iversons accepted Mr. Coty's secondary offer with modifications regarding lake frontage, earnest money and a change in the closing date to July 27, 2000. A true and correct copy of Iversons' WB-44 Counter-Offer is attached and incorporated herein as **State's Exhibit I.**
- 21. Prior to closing on their offer, Mrs. Kusilek called Sandy Gehrke and told her that the project was turning out to more expensive than anticipated. Mrs. Kusilek indicated that she and her husband had only received approval for a loan to buy the lot, and they did not have sufficient funds to cover the building expenses.
- 22. The Kusileks asked Sandy Gehrke if they could withdraw their offer based on the financing contingency. She told the Kusileks that were obligated to purchase the property because their offer had been accepted, and if they did not close, there was a risk that they may lose their \$6,000.00 earnest money.
- 23. Sandy Gehrke did not contact the Iversons and suggest that they might allow the Kusileks to withdraw their offer and move the Coty offer into primary position.
- 24. Sandy Gehrke told the Kusileks that they could lose their earnest money if they withdrew their offer.
- 25. Within a few hours after first speaking with the Kusileks about their financial situation, Sandy Gehrke called Mrs. Kusilek and proposed that they go ahead close on their accepted offer and the Gehrkes would buy the property from them.
- 26. Sandy Gehrke explained that she and her husband would provide short term financing in the amount of \$90,000.00 to the Kusileks to cover their closing with the Iversons. Sandy Gehrke indicated that she would cancel the short term note when the Kusileks signed over the deed to the property to the Gehrkes.
- 27. Sandy Gehrke described the arrangement as a "one-step process" and indicated that the transfers could be completed at the Iverson-to-Kusilek closing. Sandy Gehrke explained that when the Kusileks signed the deed to the property over to the Gehrkes, their earnest money would be returned.
- 28. As a further incentive to her proposal, Sandy Gehrke asked Dan Kusilek to submit an estimate for demolition and design of a home for the Gehrkes.
- 29. Prior to talking to Gehrke about withdrawing their offer, Sue Kusilek happened to meet Mr. Coty at the home of a mutual friend. Mr. Coty mentioned that he had also submitted an offer on the Iverson property and that he would buy it from them for \$1,000.00 more than they paid for it if they decided not to develop the property.

- 30. Dan Kusilek spoke to Mr. Coty about the possibility of re-selling the property if they decided not to build. Mr. Coty suggested that the Kusileks set a price and let him know.
- 31. After Sandy Gehrke approached the Kusileks about her proposal to provide financing and buy the property, the Kusileks tried to reach Mr. Coty to see if he was still interested in buying the property.
- 32. The Kusileks left a message on Mr. Coty's answering machine asking if was still interested in purchasing the property.
- 33. Mr. Coty was out of town and did not get their message until several days later. By the time that Mr. Coty got the telephone message from the Kusileks, they had already agreed to sell the lot to the Gehrkes.
- 34. Sandy Gehrke told the Iversons that she was going to lend the purchase funds to the Kusilek and then re-purchase the property from them to ensure that the transaction would close on July 24, 2000, per the offer.
- 35. The Iversons did not have any preference as to which party purchased the property. The Iversons assumed that they had to work with the Kusileks' offer because it was accepted first.
- 36. On June 26, 2000, Roger and Sandy Gehrke signed the Consent to Multiple Representation indicating that they were representing themselves as buyers. A true and correct copy of the Gehrkes' agency disclosure is attached and incorporated herein as **State's Exhibit J.**
- 37. On July 11, 2000, Sandy Gehrke drafted an amendment to Kusileks' Offer to Purchase which stated that the financing contingency was removed and that financing would be provided by Roger and Sandy Gehrke.
- 38. Sandy Gehrke prepared the WB-40 Amendment to the Kusileks' offer which removed the financing contingency and disclosed their loan and re-purchase of the property. A true and correct copy of the WB-40 Amendment is attached and incorporated herein as **State's Exhibit K.**
- 39. The amendment stated that "Seller is aware that the agents Roger and Sandy Gehrke will be purchasing the property from the Kusileks, that they may or may not improve the property or resell the property at a profit. Seller and buyer both understand there is a potential for profit if the agents Roger and Sandy Gehrke resell the property."
- 40. The amendment was accepted by the Iversons on July 13, 2000, and accepted by the Kusileks on July 21, 2000, three days before the scheduled closing.
- 41. Sandy Gehrke applied for title insurance with Edina Title Realty listing her name and her husband's name as the mortgagees for the sale from Iverson to Kusilek. A true and correct copy of the Application for Title Insurance is attached and incorporated herein as **State's Exhibit L.**
- 42. The sale of the property by the Iversons to the Kusileks closed on July 20, 2000, with a mortgage of \$90,000.00 held by Sandy Gehrke. The deed from the Iversons was recorded on August 11, 2000. A true and correct copy of the Warranty Deed is attached and incorporated herein as **State's Exhibit M.**

- 43. The Mortgage Note entered into between the Kusileks and Sandy Gehrke provided that the entire principal balance and all accrued interest to be paid in full on or before August 21, 2000. A true and correct copy of the Mortgage Note and Form 6-S is attached and incorporated herein as **State's Exhibit N.**
- 44. Upon closing, the Kusileks transferred the property to Sandy Gehrke by Warranty Deed. The deed and the satisfaction of the mortgage were recorded in St. Croix County on July 28, 2000. A true and correct copy of the Mortgage Satisfaction and Warranty Deed is attached and incorporated herein as **State's Exhibit 0.**
- 45. At no time prior to or after Sandy Gehrke's purchase of the property, did the Gehrkes contact Mr. Coty or his agent to disclose that they were buying the property. Mr. Coty learned of their purchase through a mutual friend who had talked to the Kusileks and was told that they did not buy the property.
- 46. Mr. Coty decided to check with the Register of Deeds and discovered that the property was still in the Iverson's name. Tami Johnson contacted Sandy Gehrke to determine whether the Kusilek offer had been withdrawn and whether the Coty offer could be made primary.
- 47. Sandy Gehrke first spoke to Tami Johnson and told her that she had purchased the Iverson property.
- 48. The agent was surprised to find out that Sandy Gehrke was the new owner since she had been assured her that the Kuslieks were definitely buying the property and there was no chance that Coty's secondary offer would be made primary.
- 49. Soon after purchasing the property, Sandy Gehrke received a call from Ted Damartini, indicating that he had an interest in the property. As a result of that conversation, Sandy Gehrke decided to explore her options for selling the property. She immediately decided that if she were to market the property, she would first make it available to Mr. Coty. Accordingly, she contacted Tami Johnson and offered to sell the property to Mr. Coty for her purchase price, plus carrying costs- \$99,900.00
- 50. Although Mr. Coty was not sure why his secondary offer had not been accepted, he was still interested in the property and offered to purchase it from Sandy and Roger Gehrke for \$100,000.00. A true and correct copy of Coty's offer is attached and counteroffer is incorporated herein as **State's Exhibit P.**
- 51. On August 13, 2000, the Gehrkes accepted Mr. Coty's offer for \$100,000.00, approximately three weeks after they had purchased the property from the Kusileks for \$90,000.00 A true and correct copy of Warranty Deed from the Gehrkes to Coty is attached and incorporated herein as **State's Exhibit Q.**
- 52. Sandy and Roger Gehrke signed a Substitute Form 1099-Statement of Proceeds from Real Estate, Broker, and Barter Exchange Transactions declaring that the property, which they sold to Coty, was their Principal Residence. A true and correct copy of the 1099-S Form is attached and incorporated herein as **State's Exhibit R.**
- 53. Sandy Gehrke did not discuss her plans to purchase and re-sell the Iverson property with her supervising broker, Brent Wernlund, because he was unavailable.
- 54. Brent Wernlund indicated that he may have reviewed the initial offers on the Iverson property, but he did not have specific recollection of the details of the Gehrkes' offer to finance and purchase the property from the Kusileks. He indicated that sometimes he cannot be reached when he is out of the office.

### **Frankfourth Transaction**

- 55. On July 8, 1999, Sandy Gehrke entered into a WB-3 Vacant Land Listing Contract-Exclusive Right to Sell with Kim and Patrick Frankfourth. The listing period was for one year. A true and correct copy of the listing contract is attached and incorporated herein as **State's Exhibit S**.
- 56. The Frankfourths' property consisted of five (5) acres in a semi-rural residential subdivision in Hudson, Wisconsin. Sandy and Roger Gehrke reside on the same street in the subdivision.
- 57. The Frankfourths told Sandy Gehrke that they had purchased the property for \$58,000.00. Sandy Gehrke listed the property for \$68,900.00.
- The Frankfourths originally planned to build a home on the lot, but Mrs. Frankfourth had received a job promotion which required her to relocate to the state of Utah. Mrs. Frankfourth signed a two year apartment lease in Utah.
- 59. About three months into the listing, Sandy Gehrke told the Frankfourths that the prospects for selling their property were not good as the construction season was ending. She indicated that the market would probably improve in the spring.
- 60. Sandy Gehrke recommended that the Frankfourths lower the listing price to \$62,500.00. A true and correct copy of the amended contract is attached and incorporated herein as **State's Exhibit T**.
- 61. Sandy Gehrke told the Frankfourths that if they did not want to wait until spring when the chances of selling the property improved, she and her husband, Roger Gehrke, were willing to buy the lot for what the Frankfourths owed on it.
- 62. The Frankfourths decided it would be best if they sold the property to Gehrke rather than continue to wait for another offer.
- 63. Sandy Gehrke told the Frankfourths to cancel their listing with Edina Realty which would allow her to buy the property directly from them and realize a savings on the sale costs.
- 64. Sandy Gehrke prepared an Amendment to the Listing Contract, which changed the date of the expiration of the listing contract to January 24, 2000. A true and correct copy of the amended contract is attached and incorporated herein as **State's Exhibit U**.
- 65. On January 25, 2000, Sandy Gehrke prepared a WB-13 Vacant Land Offer to Purchase on behalf of herself and her husband, Roger Gehrke, to purchase the Frankfourth property for \$51,200.00, which was less than the amount that the Frankfourths would have netted on full price sale. A true and correct copy of the Gehrke Offer is attached and incorporated herein as **State's Exhibit V**.

- 66. The Gehrkes' offer indicates that Sandy Gehrke was acting as a dual agent, with duties to both the seller and to herself as the buyer. The offer did not require the deposit of any earnest money by the Gehrkes.
- 67. The offer drafted by Sandy Gehrke stated that "buyers are licensed Realtors and are purchasing the property for investment purposes. Upon resale buyers may or may not make a profit. Seller to pay \$150.00 toward buyers; closing title insurance."
- 68. The Gehrkes' offer closed on February 4, 2000, ten days after it was accepted by the Frankfourths. Per the Seller's Estimated Expense Worksheet and Disclosure Form prepared by Sandy Gehrke, the Frankfourths' expenses as sellers totaled \$51,192.60, resulting in net cash to the Frankfourths of \$7.40. A true and correct copy of the expense Worksheet is attached and incorporated herein as **State's Exhibit W.**
- 69. The day after closing on the Frankfourth property, Sandy and Roger Gehrke listed the property with Edina Realty for \$59,900.00 A true and correct copy of the WB-3 Vacant Land Listing Contract is attached and incorporated herein as **State's Exhibit X.**
- 70. Jon Thelen and his wife had been working with Sandy Gehrke throughout the year in an effort to find a building lot. The couple initially viewed the Frankfourth lot, but did not make an offer because they were not sure that it was suitable for their house plans.
- 71. The Thelens had found other lots which they liked but they were told by Sandy Gehrke that those were all sold. The couple later learned that some of these lots were still available. Sandy Gehrke responded that she was relating what the builder told her.
- 72. By the fall of 1999, the Thelens were anxious to find a lot and start construction, as they were expecting a baby. Jon Thelen indicated that he called Sandy Gehrke every week to see if she had or knew of any available lots.
- 73. Sandy Gehrke offered to sell the Frankfourth lot to the Thelans after she purchased it from the Frankfourths.
- 74. Sandy Gehrke told the Thelens that the sellers had moved to Utah and needed to sell the lot to qualify for a new home. Sandy Gehrke indicated that she was doing the sellers a favor by purchasing the property herself.
- 75. Sandy Gehrke told the Thelens that she was willing to sell the lot for \$59,900.00, the amount of her costs and that if they did not buy it, she would sell it for a higher price. Sandy Gehrke indicated that the lot would sell quickly.
- 76. Sandy Gehrke did not disclose to the Thelens that she did not incur a sales commission when she purchased the Frankfourth lot because her listing was cancelled early.
- 77. Sandy Gehrke failed to disclose to the Thelens that she received a rebate of the listing commission, administrative fees, and discounted closing costs, per the policy of Edina Realty. A true and correct copy of the Edina Sales Policies and Procedures Manual, Section 7:2 is attached and incorporated herein as **State's Exhibit Y.**

- 78. On February 16, 2000, the Gehrkes sold the lot to the Thelens for \$59,900.00. A true and correct copy of the Thelen Vacant Land Offer to Purchase is attached and incorporated herein as **State's Exhibit Z.**
- 79. Sandy and Roger Gehrke were unable to reach their supervising broker, Brent Wernlund, prior to canceling the Frankfourth listing and purchasing the property from their own clients. Nor was Mr. Wernlund consulted prior to the Gehrkes' decision to re-list and resell the property to the Thelens.

#### MITIGATING FACTORS

- 80. As evidence of mitigation, Sandy M. Gehrke, has voluntarily paid the sum of \$10,000.00 as restitution to Jonathan Coty. A true and correct copy of Sandy Gehrke's personal check and letter of apology to Coty is attached and incorporated herein as **State's Exhibit AA**.
- 81. As further evidence of mitigation, Sandy M. Gehrke, has voluntarily agreed, in writing, not to purchase any of her own listings.
- 82. In resolution of this matter, the Respondents consent to the following Conclusions of Law and Order.

#### **CONCLUSIONS OF LAW**

- 1. The Wisconsin Real Estate Board has jurisdiction to act in this matter pursuant to Sec. 452.14, Wis. Stats.
- 2. The Wisconsin Real Estate Board is authorized to enter into the attached Stipulation pursuant to Sec. 227.44(5), Wis. Stats.
- 3. Respondent Sandy M. Gehrke has violated:
  - a). Sec. 452.133(1)(a) Wis. Stats., which requires that a broker shall provide brokerage services to all parties to the transaction honestly, fairly and in good faith.
  - b). Sec. 452.133 (2)(a) Wis. Stats., which provides that a broker has duty to loyally represent the client's interests by placing the client's interests ahead of the interests of any other party, unless loyalty to a client violates the broker's duties under sub.(1) or Sec. 452.137(2).
  - c). RL 24.13(3)(b) Wis. Adm. Code, which provides that a listing broker may not submit his or her own offer to purchase a property which the broker has listed if the broker has knowledge of the terms of any pending offer.
  - d). Sec. 452.133(1)(g) Wis. Stats., and RL 24.13(3) Wis. Adm. Code, which provides that when negotiating on behalf of a party, the broker shall present all written proposals in an objective and unbiased manner and shall disclose the advantages and disadvantages of all written proposals.

- e). Sec. 452.14(3)(b) Wis. Stats., and RL 24.07(2) Wis. Admin. Code, which prohibits a broker from misrepresenting facts in reference to a transaction injurious to the seller and purchaser.
- f). RL 24.03(2)(b) Wis. Admin. Code, which provides that licensees shall act to protect the public against fraud, misrepresentation, and unethical practices.
- g). Sec. 452.14(3)(i) Wis. Stats., which provides that licensees may be disciplined for having demonstrated incompetency to act as a broker, salesperson or time-share salesperson in a manner which safeguards the interests of the public.
- 4. Respondent Roger H. Gehrke has violated:
  - a). Sec. 452.133(1)(a) Wis. Stats., which requires that a broker shall provide brokerage services to all parties to the transaction honestly, fairly and in good faith.
  - b). RL 24.03(2)(b) Wis. Admin. Code, which provides that licensees shall act to protect the public against fraud, misrepresentation, and unethical practices.
  - c). RL 24.13(3)(b) Wis. Adm. Code, which provides that a listing broker may not submit his or her own offer to purchase a property which the broker has listed if the broker has knowledge of the terms of any pending offer.
  - d). Sec. 452.14(3)(i) Wis. Stats., which provides that licensees may be disciplined for having demonstrated incompetency to act as a broker, salesperson or time-share salesperson in a manner which safeguards the interests of the public.
- 5. Respondent Brent A. Wernlund has violated:
  - a). Sec. 452.12(3) Wis. Stats., which provides that each broker shall supervise and is responsible for the acts of any broker employed by the broker.
  - b). RL 24.03(2)(b) Wis. Admin. Code, which provides that licensees shall act to protect the public against fraud, misrepresentation, and unethical practices.
  - c). Sec. 452.14(3)(i) Wis. Stats., which provides that licensees may be disciplined for having demonstrated incompetency to act as a broker, salesperson or time-share salesperson in a manner which safeguards the interests of the public.
- 6. Respondent Edina Realty, Inc., has violated:
  - a). RL 17.08(1) and (2) Wis. Admin. Code, which provides that a broker-employer shall supervise and is responsible for acts of any broker, salesperson or time-share salesperson employed by the broker-employer and is responsible for the preparation, custody, safety and correctness of all entries on real estate forms, closing statements and other records.

NOW, THEREFORE, IT IS HEREBY ORDERED that the attached Stipulation is accepted.

IT IS FURTHER ORDERED, that the Real Estate Broker's license of Respondent, Sandy M. Gehrke (lic.#90-23141), shall be SUSPENDED for a period of thirty (30) days beginning effective at 11:59 p.m. on the date of the Order. Respondent Sandy M. Gehrke is further required to take the course module, *Business Ethics* from the approved Real Estate Broker's Pre-License Program, within six (6) months from the effective date of the Order. Respondent Sandy M. Gehrke shall pay a forfeiture of \$6,000.00 within ninety (90) days of the effective date of the order.

IT IS FURTHER ORDERED, that the Real Estate Salesperson license of Respondent, Roger H. Gehrke, (lic. #94-47061), is hereby REPRIMANDED and required to take the course module, *Ethical Real Estate Practices* from the approved Real Estate Salesperson's Pre-License Program, within six (6) months from the effective date of this Order.

IT IS FURTHER ORDERED, that the Real Estate Broker's license of Respondent, Brent A. Wernlund (lic.#90-15527), is hereby SUSPENDED for fourteen (14) days beginning on 11:59 p.m. on the effective date of this order. Respondent Brent A. Wernlund is further required to take the course module, *Business Ethics* from the approved Real Estate Broker's Pre-License Program, within six (6) months from the effective date of this Order. Respondent Brent A. Wernlund shall pay a forfeiture of \$1,000.00 within ninety (90) days of the effective date of the order.

IT IS FURTHER ORDERED that Respondent Edina Realty, Inc., (lic.# 91-28555), is hereby REPRIMANDED. Respondent Edina Realty, Inc., shall pay a forfeiture of \$1,000.00 and costs of \$7,632.78 within ninety (90) days of the effective date of the order.

Payment of forfeitures and proof of completion of continuing education shall be made by **certified check or money order**, payable to the Wisconsin Department of Regulation and Licensing and sent to:

Department Monitor, Division of Enforcement,

Department of Regulation and Licensing,

PO Box 8935, Madison, WI 53708 8935

In the event the Respondents Sandy M. Gehrke, Roger H. Gehrke, Brent A. Wernlund and Edina Realty, Inc., fail to timely submit payment of the forfeiture, costs and proof of required continuing education, as set forth above, their licenses **SHALL BE SUSPENDED**, without further notice or hearing, until Respondents have complied with the terms of this Order.

IT IS FURTHER ORDERED, that Division of Enforcement files **00 REB 282** be, and hereby are, closed.

By: Richard Kollmansberger 4-24-03

A Member of the Board Date