# WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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STATE OF WISCONSIN BEFORE THE REAL ESTATE BOARD

IN THE MATTER OF THE DISCIPLINARY :

PROCEEDINGS AGAINST :

FINAL DECISION AND ORDER

LS0504148REB

KAREN BEHNKE-KNOBLAUCH and

STAMUS, LLC :

RESPONDENTS.

Division of Enforcement Case No. 02 REB 139

The parties to this action for the purposes of Wis. Stat. § 227.53 are:

Karen Behnke-Knoblauch P.O. Box 185 Sussex, WI 53089

Stamus, LLC P.O. Box 185 Sussex, WI 53089

Division of Enforcement
Department of Regulation and Licensing
1400 East Washington Avenue
P.O. Box 8935
Madison, WI 53708-8935

Real Estate Board
Department of Regulation & Licensing
1400 East Washington Avenue
P.O. Box 8935
Madison, WI 53708-8935

# PROCEDURAL HISTORY

The parties in this matter agree to the terms and conditions of the attached Stipulation as the final decision of this matter, subject to the approval of the Real Estate Board. The Board has reviewed the attached Stipulation and considers it acceptable.

Accordingly, the Board in this matter adopts the attached Stipulation and makes the following:

# **FINDINGS OF FACT**

- 1. Karen Behnke-Knoblauch ("Respondent") (DOB 09/325/1955) is duly licensed as a Real Estate Broker in the state of Wisconsin (90-27125). The license was first granted on 07/02/1982. The license expires on 12/31/2006.
- 2. Respondent's most recent address on file with the Wisconsin Real Estate Board is P.O. Box 185, Sussex, WI, 53089.
  - 3. At all times relevant to this matter Respondent was doing business as Stamus, LLC. Stamus, LLC is licensed

as a real estate entity in the state of Wisconsin (91-700310). This license was first granted on 01/04/2000. This license expires on 12/31/2006. Stamus, LLC's most recent address on file with the Wisconsin Real Estate Board is P.O. Box 185, Sussex, WI, 53089.

- 4. On or about January 10, 2001, the license of the Respondent (90-27125) was removed from active status by the Department of Regulation and Licensing. Similarly, on or about March 19, 2001, the license of Stamus, LLC (91-700310), was removed from active status by the Department of Regulation and Licensing.
- 5. On or about May 8, 2001, Respondent and Stamus, LLC, entered into a vacant land listing contract with J.S. and M.S. The listing contract expired on August 8, 2001. Per line 68 of the listing contract, Respondent and Stamus, LLC, had the right to present to J.S. and M.S. a list of protected clients within three days after the expiration of the listing contract. Previously, other listing agreements had been executed between the parties, some or all of which concerned the same property.
  - 6. On or about September 20, 2001, Respondent submitted a list of protected clients.
- 7. On or about September 25, 2001, the licenses of Respondent and Stamus, LLC, were restored to active status by the Department of Regulation and Licensing.
- 8. On or about June 28, 2002, Respondent, as President and Managing Member of Stamus, LLC, recorded a Notice of Broker Lien against the property.
- 9. Following the initiation of an investigation by the Ozaukee County Sheriff's Department for a violation of Wis. Stat. § 943.60, Respondent voluntarily released the broker's lien.
- 10. Per Wis. Stat. § 943.60, "Any person who submits for filing, entering or recording any lien, claim of lien... or any other instrument relating to a security interest in or title to real estate... who knows or should have known that the contents of any part of the instrument are false, a sham or frivolous, is guilty of a Class H felony.
- 11. Respondent has asserted that on February of 2001 she learned that J.S. and M.S. had previously granted an option on the property that was the subject of the listing contract. Respondent felt deceived by J.S. and M.S., as they had not previously disclosed the option, although it was a matter of public record. Respondent further asserted that she placed a lien on the subject property to "get the attention" of the parties and to "try to understand how people could deceive her."
- 12. Respondent has not asserted that Respondent had earned a commission under the listing contract to support the filing of the broker lien, and no evidence of Respondent earning a commission has been found.
- 13. Per Wis. Stat. § 452.17(1), "Any person who engages in or follows the business or occupation of, or advertises or holds himself or herself out as... a broker... without a license..." is subject to prosecution by the district attorney.
- 14. Per Wis. Stat. § 452.14(3)(L), a licensee is subject to discipline if he or she has, "Violated any provision of this chapter."
  - 15. Per Wis. Stat. § 779.32, in order to file a broker lien a broker must have "earned a commission."
- 16. Per Wis. Stat. § 452.14(3)(i), a licensee is subject to discipline if he or she has, "Demonstrated incompetency to act as a broker... in a manner which safeguards the interests of the public."

### **CONCLUSIONS OF LAW**

- 1. The Wisconsin Real Estate Board has jurisdiction to act in these matters pursuant to Wis. Stat. § 452.14.
- 2. The Wisconsin Real Estate Board has authority to enter into this stipulated resolution of this matter pursuant to Wis. Stat. § 227.44(5).
- 3. Karen Behnke-Knoblauch, by entering into a listing agreement while her license as a broker was not in active status, as described in paragraph 5 of the Findings of Fact, above, violated Wis. Stat. § 452.17(1), and thereby violated a provision of Wis. Stat. Chap. 452, contrary to Wis. Stat. § 452.14(3)(L).
- 4. Stamus, LLC, and Karen Behnke-Knoblauch, by recording a broker's lien without any claim to have earned a commission, other than claims that she should have known were frivolous, as described in paragraphs 4-12, above, and contrary to Wis. Stat. §§ 779.32 and 943.60, has demonstrated incompetency to act as a broker in a manner which safeguards the interests of the public, contrary to Wis. Stat. § 452.14(3)(i).

#### **ORDER**

## NOW, THEREFORE, IT IS HEREBY ORDERED:

- 1. The license of KAREN BEHNKE-KNOBLAUCH to practice as a real estate broker in the State of Wisconsin and shall be, and hereby is, SUSPENDED for a period of forty-five (45) days, said suspension to begin on June 1, 2005.
- 2. The license of STAMUS, LLC to practice as a real estate entity in the State of Wisconsin and shall be, and hereby is, SUSPENDED for a period of forty-five (45) days, said suspension to begin on June 1, 2005.
- 3. KAREN BEHNKE-KNOBLUACH and STAMUS, LLC, shall be held jointly and severally liable for the payment of the costs of the Division of Enforcement in investigating this matter, and shall pay costs in the amount of \$1,750.00, within one hundred and twenty (120) days of the signing of this order.
- 4. KAREN BEHNKE-KNOBLAUCH shall submit proof of the successful completion of sixteen (16) hours of education within ninety (90) days of the signing of this order, with courses used in satisfaction of this Order being preapproved by the assigned case advisor, and not being eligible for submission in fulfillment of Karen Behnke-Knoblauch's continuing education requirements.
- 5. All payments, proof of education or other submissions required by or arising out of this Order shall be mailed or delivered to:

Department Monitor
Department of Regulation and Licensing
Division of Enforcement
1400 East Washington Ave.
P.O. Box 8935
Madison, WI 53708-8935
Fax: (608) 266-2264

Telephone: (608) 267-3817

6. Violation of any of the terms of this Order may be construed as conduct imperiling public health, safety and welfare and may result in a summary suspension of Respondents' licenses. The Board in its discretion may in the alternative impose additional conditions and limitations or other additional discipline for a violation of any of the terms of this Order. In the event Respondents fail to timely submit any payment of the forfeiture as set forth above, or fails to timely submit proof of completion of education as set forth above, the Respondents licenses (90-27125 and 91-700310) SHALL BE SUSPENDED, without further notice or hearing, until Respondent has complied with the terms of this Order, and with the suspension called for in this Order not to begin until the other terms of the Order have been complied with.

7. This Order is effective on the date of signing.

By: Richard Kollmansberger 4-14-05 A Member of the Board Date