

# WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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IN THE MATTER OF THE DISCIPLINARY  
PROCEEDINGS AGAINST

MICHAEL A. GRAL,  
  
RESPONDENT.

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FINAL DECISION AND ORDER  
  
LS0708232REB

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Division of Enforcement Case No. \_\_\_\_\_

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

Michael A. Gral  
6823 Barnett Lane  
Milwaukee, WI 53217

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 disposition of this matter, subject to the approval of the Wisconsin Real Estate Board (“Board”) The Board has reviewed this Stipulation and considers it acceptable. Accordingly, the Board adopts the attached Stipulation in this matter and makes the following Findings of Fact, Conclusions of Law and Order:

**FINDINGS OF FACT**

1. Michael A. Gral is licensed in the State of Wisconsin as a Real Estate Broker. License #90-44359 was first granted to Mr. Gral on December 14, 1990. Mr. Gral’s most recent address on file with the Department of Regulation and Licensing (“Department”) is 6823 Barnett Lane, Milwaukee, WI 53217.
2. Mr. Gral has provided the Real Estate Board with a copy of a Judgment and Commitment Order and plea agreement. The Judgment and Commitment Order was based upon a plea agreement in which Mr. Gral pled guilty to one count of mail fraud in violation of 18 U.S.C. § 1341. (US-CR-13; United States District Court for the Eastern District of Wisconsin).

3. As a part of the criminal prosecution, Mr. Gral submitted an Offer of Proof outlining his position on the evidence, a copy of which is attached. (Defendant Offer of Proof). The Wisconsin Supreme Court issued a decision regarding Mr. Gral's status as an attorney. [727 N.W.2d 495 (2007)]

4. For the purpose of resolving this matter, Mr. Gral agrees that the circumstances of his crime substantially relate to the practice of real estate under R.L. 24.17(2).

5. As mitigating factors, the following is noted:

- a) Mr. Gral did not convert any client funds to his own use, intend to convert any client funds to his own use, or know of any such conversion. Mr. Gral relied upon the legal and/or apparent authority of another. Mr. Gral's acts were primarily acts of omission in that he failed to confirm and/or disclose certain acts and/or representations of another. Mr. Gral took steps to remedy the conversion of funds by another.
- b) Mr. Gral took significant steps to preserve assets during the Government's investigation and is continuing to preserve these assets. On his own initiative and largely at his own individual expense, Mr. Gral (through his attorneys) retained a third party counsel and real estate advisors to provide a vehicle for the independent management and analysis of certain business activities and to protect third parties. Mr. Gral's funding of the capital needs of assets continued when a co-obligor stopped meeting his financial obligations.
- c) Gral entered into resolutions with third parties in which he agreed to pay restitution and other amounts. A substantial portion of these funds would not have been able to be obtained by third parties since they involved Gral's retirement account, certain marital assets, funds from Gral's father, and the liquidation of entity protected assets.
- d) Gral cooperated with the Government's prosecution of the criminal case, promptly admitted wrongdoing, agreed to enter into a guilty plea, and entered a guilty plea. Gral cooperated with the Office of Lawyer Regulation ("OLR") and the Real Estate Board.
- e) Prior to this matter, Mr. Gral had no prior criminal or disciplinary record.
- f) Mr. Gral has received a severe sanction through the criminal justice system, has been sanctioned by the OLR, and has suffered significant collateral consequences.
- g) Mr. Gral has expressed remorse and accepted responsibility for his actions and omissions.

#### **CONCLUSIONS OF LAW**

1. The Wisconsin Real Estate Board has jurisdiction to act in this matter pursuant to section 452.14(3) of the Wisconsin Statutes and is authorized to enter into the attached Stipulation pursuant to sec. 227.44(5), Wis Stats.

2. Under Wis. Stats. § 452.14(3), the Board may suspend a broker's license if it finds that the holder of the license "has been guilty of any other conduct, whether of the same or a different character from that specified herein, which

constitutes improper, fraudulent, or dishonest dealing.” Under Wis. Admin. Code, sec. RL 24.17(2), “the Board may discipline a licensee on the basis of a conviction of any crime, the circumstances of which substantially relate to the practice of real estate.”

3. Respondent Michael A. Gral, violated Wis. Admin. Code sec. R.L. 24.17(2) and Wis. Stats. sec. 452.14(3), and is subject to discipline.

**ORDER**

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

IT IS FURTHER ORDERED that the Real Estate Broker’s license issued to Michael A. Gral shall be suspended for a period of 18 months, retroactive to June 15, 2006, the date on which he was sentenced in federal court. The suspension shall terminate and Mr. Gral’s license shall be reinstated without further order of the Board on December 15, 2007.

IT IS FURTHER ORDERED that Michael A. Gral pay the Department’s costs of this matter in the amount of \$753.19 within 60 days of the date of this Order, pursuant to Wis. Stats. sec. 440.22(2). Payment shall be made by certified check or money order, payable to the Wisconsin Department of Regulation and Licensing and sent to the Department Monitor:

Department Monitor  
Department of Regulation and Licensing  
Division of Enforcement  
1400 East Washington Avenue  
P.O. Box 8935  
Madison, WI 53708-8935  
Fax: (608) 266-2264  
Telephone: (608) 267-3817

In the event Mr. Gral fails to pay the costs within the time and in the manner as set forth above, his Real Estate Broker’s license shall be suspended without further notice, without further hearing, and without further Order of the Board, and said suspension shall continue until the full amount of said costs has been paid to the Department of Regulation and Licensing.

IT IS FURTHER ORDERED that violation of any of the terms of this Order shall be construed as conduct imperiling public health, safety and welfare and may result in a summary suspension of Respondent’s license; the Board in its discretion may in the alternative impose additional conditions and limitations or other discipline.

IT IS FURTHER ORDERED that file 06 REB 115 be closed.

Dated this 23<sup>rd</sup> day of August, 2007.

WISCONSIN REAL ESTATE BOARD

By: Peter A. Sveum  
A Member of the Board