

## WISCONSIN DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES



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STATE OF WISCONSIN  
BEFORE THE REAL ESTATE EXAMINING BOARD

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IN THE MATTER OF DISCIPLINARY  
PROCEEDINGS AGAINST

MARY B. JOHNSON and  
MAJESTIC ESCAPES, L.L.C.,  
RESPONDENT.

:  
:  
: FINAL DECISION AND ORDER  
:  
:  
: ORDER 0001982.

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Division of Enforcement Case No. 11 REB 054

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

Mary B. Johnson  
P.O. Box 1385  
Hayward, WI 54843

Majestic Escapes, L.L.C.  
W4902 Universal Dr.  
Winter, WI 54896

Wisconsin Real Estate Examining Board  
P.O. Box 8935  
Madison, WI 53708-8935

Division of Enforcement  
Department of Safety and Professional Services  
P.O. Box 8935  
Madison, WI 53708-8935

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 Examining Board (Board). The Board has reviewed this Stipulation and considers it acceptable.

Accordingly, the Board in this matter adopts the attached Stipulation and makes the following Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent Mary B. Johnson (dob 12/23/1957) is licensed in the State of Wisconsin as a Real Estate Broker, having license number 90-54280, first issued on 01/03/2007 and current through 12/14/2012. Respondent's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is P.O. Box 1385, Hayward, Wisconsin 54843.

2. At all times relevant to this proceeding, Respondent Johnson provided property management services.

3. Respondent Majestic Escapes, L.L.C. (Majestic) is licensed in the State of Wisconsin as a Real Estate Business Entity, having license number 91-701659, first issued on 01/03/2007 and expired on 12/14/2008. Majestic's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is W4902 Universal Drive, Winter, Wisconsin 54896. Respondent Johnson was the responsible broker for Majestic

4. Respondent Johnson conducted business through Majestic. Respondent Johnson did not notify the Department of the trade name that her business is conducted under.

5. Majestic's license has been expired since 12/14/2008. During the time its license was expired, Majestic engaged in the business of a real estate broker.

6. On 05/24/2011, a Department auditor visited Respondent Johnson to conduct an audit of her real estate trust account.

7. The 05/24/2011 audit revealed that:

- a. The trust account journal and ledgers were incomplete or missing;
- b. Respondent failed to segregate individual property owner's trust monies;
- c. Monthly reconciliation, trial balance and validation were incomplete; and
- d. Respondent Johnson made multiple trust account withdrawals without recording corresponding bookkeeping entries.

8. On 05/09/2011, Respondent Johnson's internet website stated, in part: "Majestic Escapes is fully licensed and insured."

9. Respondent Johnson provided property management services to a client without a written contract.

#### CONCLUSIONS OF LAW

1. The Wisconsin Real Estate Examining Board has jurisdiction to act in this matter pursuant to Wis. Stat. § 452.14, and is authorized to enter into the attached Stipulation pursuant to Wis. Stat. § 227.44(5).

2. By the conduct described in the Findings of Fact, Respondent Johnson violated Wis. Admin. Code § RL (now REEB) 23.03(2) by failing to notify the Department in writing of the trade name Respondent conducts business under.

3. By the conduct described in the Findings of Fact, Respondents Majestic and Johnson violated Wis. Stat. §§ 452.03 and 452.12(5)(b) by engaging in the business and practice of a real estate broker with an expired license.

4. By the conduct described in the Findings of Fact, Respondent Johnson violated Wis. Admin. Code §§ RL (now REEB) 18.13(1)-(5) by failing to properly maintain a bookkeeping system and reconcile the real estate trust account.

5. By the conduct described in the Findings of Fact, Respondent Johnson violated Wis. Stat. § 452.133(1)(f) by making withdrawals without adequate bookkeeping.

6. By the conduct described in the Findings of Fact, Respondent Johnson violated Wis. Admin. Code § RL (now REEB) 24.04(1) by advertising in a manner which is false, deceptive or misleading.

7. By the conduct described in the Findings of Fact, Respondent Johnson violated Wis. Admin. Code § RL (now REEB) 24.08 by failing to put a property management agreement in writing.

8. As a result of the above violations, Respondents Johnson and Majestic are subject to discipline pursuant to Wis. Stat. §§ 452.14(3)(i) and (L).

#### ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The attached Stipulation is accepted.
2. Respondent Mary B. Johnson (license no. 90-54280) is REPRIMANDED.
3. Respondent Majestic Escapes, L.L.C., (license no. 91-701659) is REPRIMANDED.
4. The Real Estate Broker license of Respondent Johnson (license no. 90-54280) is LIMITED as follows:
  - a. Respondent shall, within ninety (90) days of the date of this Order, successfully complete three (3) hours of education relating to bookkeeping and/or trust accounts and three (3) hours of education in ethics offered by a provider pre-approved by the Board's monitoring liaison, including taking and passing any exam offered for the courses.
  - b. Respondent shall submit proof of completion in the form of verification from the institution providing the education to the address stated below. None of the education completed pursuant to this requirement may be used to satisfy any continuing education requirements that have been or may be instituted by the Board, Wisconsin Department of Safety and Professional Services or similar authority in any state, and also may not be used in future attempts to upgrade a credential in any state.

- c. This limitation shall be removed from Respondent's license after satisfying the Board or its designee that Respondent has successfully completed all of the ordered education.

5. Within ninety (90) days of the date of this Order, Respondent Johnson shall pay FORFEITURE in the amount of ONE THOUSAND DOLLARS (\$1,000.00) and COSTS of this matter in the amount of SIX HUNDRED DOLLARS (\$600.00).

6. Proof of successful course completion and payment of forfeiture and costs (made payable to the Wisconsin Department of Safety and Professional Services) shall be mailed, faxed or delivered to the Department Monitor at the address below:

Department Monitor  
Division of Enforcement  
Department of Safety and Professional Services  
P.O. Box 8935, Madison, WI 53708-8935  
Telephone (608) 261-7904, Fax (608) 266-2264

7. 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 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 payment of the costs or forfeiture as ordered or fail to submit proof of successful completion of the ordered education as set forth above, Respondents' licenses (nos. 90-54280 and 91-701659) may, in the discretion of the Board or its designee, be SUSPENDED, without further notice or hearing, until Respondents have complied with payment of the costs and forfeiture and completion of the education.

8. This Order is effective on the date of its signing.

WISCONSIN REAL ESTATE EXAMINING BOARD

by:

  
A Member of the Board

8-16-12  
Date