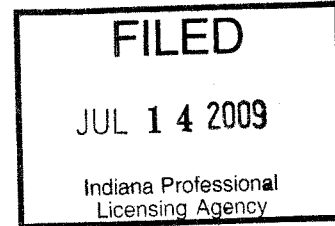


IN THE MATTER OF THE LICENSE OF)
GREGORY KNAPP)
LICENSE NO.: IB20200604 (Active))



PETITION FOR SUMMARY SUSPENSION

This Petition for Summary Suspension is brought against the Real Estate Principal Broker license of Gregory Knapp (“Respondent”), by the State of Indiana, by counsel, Deputy Attorney General Natalie R. Stidd, on behalf of the Office of the Indiana Attorney General (“Petitioner”) and pursuant to the Administrative Orders and Procedures Act, Indiana Code § 4-21.5-4 and Indiana Code § 25-1-11-13. In support thereof, the Petitioner alleges and states:

1. Respondent is a licensed Real Estate Principal Broker in the State of Indiana holding license number IB20200604 (Active). Previously, Respondent held license number PB59100171 (Expired/Superseded).
2. Respondent’s address on file with the Indiana Real Estate Commission (“Commission”) is 8285 East State Road 267, Plainfield, Indiana 46168.

FACTS REGARDING THE LEASE

3. On or about May 19, 2009, Respondent, as President of E. Knapp, LLC, entered into a residential lease agreement (“Lease”) with Shaun M. Smith and Tambi L. Smith (“Tenants”) for the property commonly known as 8590 Rockville Road, Indianapolis, Indiana 46234 (“Rockville Road”). E. Knapp, LLC is named in the Lease as “LANDLORD.”

4. According to the records of the Marion County Recorders Office, Eric Rasmussen (“Rasmussen”) is the owner of Rockville Road by way of a warranty deed transfer on July 17, 2006, from Respondent to Rasmussen.

5. The Lease was prepared by Respondent, as indicated on the signature page of the Lease.

6. In the Lease, Respondent provided the following handwritten language beside the heading SPECIAL PROVISIONS:

Lease is month to month as property is currently for sale. Basement is not suitable for living space as water leaks may occur.

7. Tenants moved-in at Rockville Road on May 19, 2009.

8. Tenants paid \$3,750.00 to Respondent, as president of E. Knapp, LLC, on May 20, 2009, in order to cover the first month’s rent, the security deposit, and an additional three (3) months in advance.

FACTS REGARDING KUEBER’S INSPECTION

9. On June 4, 2009, Donna Kueber (“Kueber”), Assistant Indoor Air Specialist with the Health and Hospital Corporation, Marion County Health Department, conducted an inspection of Rockville Road. Kueber prepared a report documenting violations of the Code of the Health and Hospital Corporation of Marion County.

10. Kueber found numerous violations of the Code of the Health and Hospital Corporation of Marion County at Rockville Road, which included, but are not limited to, the following:

- a. Water damaged, deteriorated, and/or moldy walls throughout the basement;

- b. Water damaged, deteriorated, and/or moldy baseboards through the basement;
- c. Lack of a working smoke detector in the dwelling unit; and,
- d. Sump pit is discharging ground water into the sanitary sewer in the basement.

11. On or about June 5, 2009, Kueber sent notification of the found violations of the Health and Hospital Corporation Code to Respondent at 8285 E. State Road 267, Plainfield, Indiana 46168. In said notification, Respondent was notified that the violations were to be corrected by June 18, 2009.

FACTS REGARDING GOODIN'S INSPECTION

12. Michael Goodin ("Goodin"), Environmental Health Specialist IV with the Health and Hospital Corporation, Marion County Health Department, conducted inspections of Rockville Road on the following dates in 2009: February 2; March 17; March 27; April 7; April 17; May 1; May 12; May 29; June 2; June 4; June 8; June 16; June 23; and July 2.

13. On or about June 2, 2009, Goodin took a water sample from Rockville Road. The sample was tested and returned "unsatisfactory," according to the requirements of the Health and Hospital Corporation, Marion County Health Department.

14. Goodin notified Respondent of the unsatisfactory water test, issuing Respondent an order to correct the problem by chlorinating the water supply.

15. On or about June 16, 2009, Goodin took a water sample from Rockville Road. After testing, the June 16, 2009 sample returned unsatisfactory. Respondent was provided notification of the sample result via a telephone call from Goodin and/or sent the results of the water sample test.

16. On or about July 2, 2009, Goodin took a water sample from Rockville Road. After testing, the July 2, 2009 sample returned unsatisfactory. Respondent was provided notification of the sample result via a telephone call from Goodin and/or sent the results of the water sample test.

FACTS REGARDING ANDERSON'S ROCKVILLE ROAD OBSERVATIONS

17. On or about June 26, 2009, Robert Anderson ("Anderson"), Investigator with the Professional Licensing & Homeowner Protection Unit, Office of the Indiana Attorney General, made a site visit to Rockville Road.

18. Anderson was permitted to walk-through and photograph portions of Rockville Road by Tambi Smith ("Smith").

19. Anderson photographed alleged mold on the walls of the basement, the sinking floor in the basement utility room, and the furnace, which had rust all around the base. Additionally, Anderson took photographs of the outdoors area where sewer work had been completed.

20. At the time of Anderson's visit, Smith provided Anderson with copies of the unsafe condition tags, which had been attached to the furnace and the oven by a representative of Citizen's Gas on June 10, 2009.

21. On June 10, 2009, Anderson returned to Rockville Road and observed the physical conditions, as photographed on June 26, 2009, had not changed.

LANDLORD OBLIGATIONS IN THE STATE OF INDIANA

22. A landlord has the following obligations under a rental agreement, pursuant to Indiana Code §§ 32-31-8-5(1),(2):

- (1) Deliver the rental premises to a tenant in compliance with the rental agreement, and in a safe, clean, and habitable condition.

(2) Comply with all health and housing codes applicable to the rental premises.

23. Additionally, Indiana Code § 32-31-8-5(4) provides, in relevant part:

A landlord shall do the following: Provide and maintain the following items in a rental premises in good and safe working condition, if provided on the premises at the time the rental agreement is entered into:

(C) Sanitary systems.

(F) Appliances supplied as an inducement to the rental agreement.

24. Pursuant to Indiana Code § 32-31-8-4, *A waiver of the application of this chapter by a landlord or tenant, by contract or otherwise, is void.*

AUTHORITY

25. The Commission has jurisdiction to summarily suspend Respondent's license in accordance with Indiana Code § 4-21.5-4 and Indiana Code § 25-1-11-13. Indiana Code § 25-1-11-13 allows the Commission to summarily suspend Respondent's license for ninety (90) days if the Commission finds that Respondent represents a clear and immediate danger to the public's health, safety, or property if Respondent is allowed to continue to practice.

26. As Respondent is required by Indiana Code § 25-34.1-3-2(a) to hold a license in order to lease, rent and/or manage real estate in Indiana, which Respondent does not own, the Commission has jurisdiction over Respondent's principal broker's license in his capacity as the agent of the landlord of Rockville Road.

27. In light of the severity of the allegations against Respondent, regarding the property at 8590 Rockville Road, Indianapolis, Indiana 46234, Respondent represents a clear and immediate danger to the public's health, safety, or property if allowed to continue to practice.

WHEREFORE, Petitioner requests that the Commission immediately set this matter for hearing to determine whether the Respondent's license should be summarily suspended for a period of ninety (90) days pursuant to Indiana Code § 4-21.5-4 and Indiana Code § 25-1-11-13, and for all other just and proper relief.

Respectfully submitted,

GREGORY F. ZOELLER
Attorney General of Indiana
Atty. No.: 1958-98

By: Natalie R. Stidd
Natalie R. Stidd
Deputy Attorney General
Atty. No.: 28081-55

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302 W. Washington Street
Indianapolis, IN 46204
(317) 232-6229

CERTIFICATE OF SERVICE

I hereby certify this 14th day of July, 2009, that a true and correct copy of the foregoing "Petition for Summary Suspension" has been served upon the below-listed person, via telephone and/or facsimile.

Gregory Knapp
8285 East State Road 267
Plainfield, Indiana 46168

Natalie R. Stidd
Natalie R. Stidd, #28081-55
Deputy Attorney General