

BEFORE THE IOWA REAL ESTATE APPRAISER EXAMINING BOARD
OF THE STATE OF IOWA

IN THE MATTER OF:	Case No. 17-15
Steven S. Gardner, CG02396	COMBINED STATEMENT OF CHARGES AND SETTLEMENT AGREEMENT
RESPONDENT	

A. Statement of Charges

1. The Iowa Real Estate Appraiser Examining Board ("Board") has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 543D (2017).
2. Respondent is a certified general real estate appraiser in Iowa. Respondent was issued Certificate No. CG02396 on January 3, 2008.
3. Certificate No. CG02396 is currently valid and in good standing and is scheduled to expire on June 30, 2018.
4. In May of 2017, the Board received a complaint against Respondent raising questions about Respondent's compliance with USPAP in the development and reporting of an appraisal assignment. The Board submitted the appraisal report underlying the complaint for a Standard Three USPAP review. The appraisal review revealed several issues with adherence to USPAP standards of practice. In light of these issues, and in order to review Respondent's work product as a whole, the Board obtained two additional appraisal reports from Respondent and submitted them for Standard Three USPAP review. These appraisal reviews revealed additional issues with appraisal methodology, accuracy, and adherence to USPAP standards of practice.
5. The Board charges Respondent with failure to adhere to USPAP in violation of Iowa Code sections 543D.17(1)(d) and .18(1) and Iowa Administrative Code rules 193F—7.2 and .3(2).
6. The Board and Respondent have agreed to fully resolve these charges through the following Settlement Agreement, rather than proceed to a contested case hearing.
7. In signing this Consent Order, Respondent admits the underlying facts and conduct alleged by the Board in this case, and admits to a violation of the underlying statutory provisions and rules charged by the Board in this case.

B. Settlement Agreement

8. Respondent has a right to a hearing on the charges, but waives Respondent's right to hearing and all attendant rights, including the right to seek judicial review, by freely and voluntarily entering into this Settlement Agreement. Respondent acknowledges Respondent had the opportunity to consult with counsel before agreeing to this Settlement Agreement.
9. This Settlement Agreement constitutes discipline against Respondent, and is the final agency action in this contested case, pursuant to Iowa Code section 17A.10 and Iowa Administrative Code rule 193—7.4.
10. Respondent agrees the State's counsel may present this Settlement Agreement to the

Board and may have ex parte communications with the Board while presenting it.

11. This Settlement Agreement shall be part of the permanent record of Respondent and shall be considered by the Board in determining the nature and severity of any future disciplinary action to be imposed in the event of any future violations.

12. This Combined Statement of Charges and Settlement Agreement is a public record available for inspection and copying in accordance with the requirements of Iowa Code chapter 22.

13. Failure to comply with the provisions of this Settlement Agreement shall be grounds for further disciplinary action pursuant to Iowa Code section 272C.3(2)(a).

14. This Settlement Agreement is subject to approval of the Board:

- a) If the Board fails to approve this Settlement Agreement, it shall be of no force or effect on either party, and it shall not be admissible for any purpose in further proceedings in this matter;
- b) If the Board approves this Settlement Agreement, it shall fully dispose of all issues in this case.

IT IS THEREFORE ORDERED:

A. Education

1. Respondent shall successfully complete within ninety (90) days of the approval of this Settlement Agreement by the Board, the following courses, which may apply towards Respondent's continuing education requirements for renewal:

- a) A thirty (30) hour, tested, highest and best use course for general appraisers;
- b) A fifteen (15) hour, tested, residential report writing and case studies course;
- c) A fifteen (15) hour, tested, USPAP course.

Respondent shall bear any and all costs associated with these courses. Respondent may take these course in person or on-line. Respondent shall forward to the Board a certificate of completion or other similar documentation or confirmation demonstrating completion within 10 days of completion of each course required above.

B. Logs and Desk Review

1. Until Respondent has complied with all terms of this Settlement Agreement, Respondent shall send the Board appraisal logs on the tenth (10th) day of each month for the prior month's appraisals.

2. Approximately sixty (60) days after Respondent has completed all education, the Board shall select two appraisals from Respondent's log for review that were completed after the education was completed. Section A (Education) provides the deadline within which education must be completed. Respondent is free to escalate the time frame by completing the education earlier than the deadline.

3. The Board will retain a certified appraiser to complete Standard Three reviews on the appraisals selected for review. Respondent shall provide the Board, within 10 days of request, nine copies of the appraisals and associated work files, and the sum of \$300 per residential report selected and \$800 per general report selected to be paid by the Board to the retained review appraiser.

4. The reviewing appraiser shall complete a comprehensive Standard Three review for each

appraisal. The review shall be for facial compliance with USPAP. The reviewer will not perform inspections or warrant the accuracy of Respondent's work product, but will review work papers, calculations and any other documents reasonably needed. Along with appraisal reports and work files, Respondent shall provide the reviewing appraiser copies of all documents verifying the accuracy of factual representations in each appraisal. The reviewer may request additional information, if needed, such as documentation of paired sales analysis, documentation of support for site values, and the like. The costs associated with desk review are the responsibility of the Respondent, but are capped at the amounts noted in paragraph 3.

5. The reviewer shall prepare written comments on each appraisal's compliance with USPAP, and shall provide copies of the written comments to the Board. The Board shall provide the reviews to the Respondent.

6. Following the Board's receipt of the two review appraisals, the Board shall either:
- a) Enter an order indicating Respondent's full compliance with this Settlement Agreement; or
 - b) If the desk review comments and appraisals reveal significant USPAP violations, the Board shall defer final ruling and may order additional education or desk reviews, or other rehabilitative measures. No such order will be issued without affording Respondent reasonable notice and an opportunity to request hearing.

7. Respondent shall not supervise an associate appraiser or otherwise co-sign another appraiser's work as a supervisor until Respondent has complied with all terms of the Settlement Agreement.

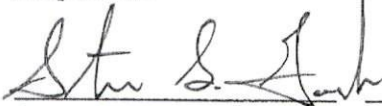
8. This Settlement Agreement shall not preclude the Board from filing additional charges if one or more of the appraisals submitted for desk review demonstrate probable cause to take such an action. Respondent agrees Board review of desk review reports or appraisals subject to desk review shall not constitute "personal investigation" or otherwise disqualify a Board member from acting as a presiding officer in any subsequent contested case(s).

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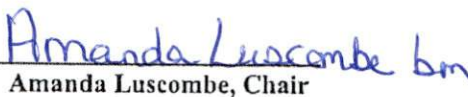
AGREED AND ACCEPTED:

Respondent

Iowa Real Estate Appraiser Examining Board



Steven S. Garner



Amanda Luscombe, Chair

2/27/18

Date

3-22-18

Date