

FILED 8/5/10 (Date)
Iowa Real Estate Appraiser Examining Board
Signature, Executive Officer

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

IN THE MATTER OF:)	CASE NO. 10-20
)	DIA NO. 10DOCREA004
JEFF GOLDEN)	
CERTIFICATE NO. CR02375)	FINDINGS OF FACT,
)	CONCLUSIONS OF LAW,
RESPONDENT)	DECISION AND ORDER

On May 19, 2010, the Iowa Real Estate Appraiser Examining Board (Board) found probable cause to file a Notice of Hearing and Statement of Charges against Jeff Golden (Respondent). Respondent was charged with failure to comply with a disciplinary order, in violation of Iowa Code section 272C.3(2)(a)(2009). A telephone prehearing conference was held on July 23, 2010. The hearing was held on July 27, 2010 at 10:00 a.m. Assistant Attorney General Pamela Griebel represented the state of Iowa. Respondent appeared and was self-represented. The following Board members presided at the hearing: Michael Lara, Appraiser, Chairperson; Gregory Moorhead, Appraiser; James Kesterson, Appraiser; Judy Zwanziger, Appraiser; and John Larson, Public Member. Administrative Law Judge Margaret LaMarche assisted the Board in conducting the hearing. The hearing was closed to the public, pursuant to Iowa Code section 272C.6(1)(2009) and 193 IAC 7.25(2). After hearing the testimony and examining the exhibits, the Board convened in closed executive session, pursuant to Iowa Code section 21.5(1)(f)(2009), to deliberate its decision. The Board instructed the administrative law judge to prepare Findings of Fact, Conclusions of Law, Decision and Order for their review, in conformance with their deliberations.

THE RECORD

The record includes the State's Prehearing Conference Report, Respondent's testimony, State Exhibits, pp. 1-38, and Respondent Exhibit A.

FINDINGS OF FACT

1. On January 2, 2005, Respondent was issued certificate CR02375 to practice as a residential real estate appraiser. Respondent's certificate is currently on probation. (State Exhibits, pp. 1, 6)

2. In October 2008, the Board received a complaint alleging that an appraisal report prepared by Respondent failed to comply with applicable USPAP standards. The Board submitted the appraisal to a Standard Three USPAP review, and the reviewer concluded that the appraisal report had significant violations of USPAP standards. The Board asked Respondent for an appraisal log and then selected two additional appraisals for review. The Standard Three reviews of these additional appraisals also revealed USPAP violations, particularly of reporting standards. (State Exhibits, pp. 6-10)

On April 29, 2009, the Board and Respondent entered into a Combined Statement of Charges and Consent Order. Respondent was charged with repeated failure to adhere to appraisal standards in the development and communication of appraisals and with failure to exercise reasonable diligence in the development, preparation, and communication of appraisals. Respondent agreed to resolve the charges through a Consent Order, rather than proceeding to contested case hearing. (State Exhibits, pp. 6-10)

3. The Combined Statement of Charges and Consent Order placed the Respondent's certificate on probation, subject to terms and conditions.

a. Respondent was required to complete the following educational courses by December 31, 2009:

- a 15-hour tested USPAP course;
- a 30-hour course on residential sales comparison and income approach;
- a 15-hour course on appraiser site valuation and cost approach;
- a 15-hour course on residential report writing and case studies.

The last three courses were required to be the approved courses for qualifying education certification and were required to be completed in a classroom environment. Respondent is required to provide the Board with certificates of completion within 10 calendar days of completing the course.

b. By the 10th day of each month, Respondent is required to submit a monthly log of all appraisals that he completed in the preceding month. Following receipt of Respondent's completion certificates for all of the required education, the Board will select two reports from Respondent's log. Those two reports will be subjected to a Standard Three desk review by a Board approved

reviewing appraiser. Respondent may apply to be released from probation if the desk review comments and appraisals do not reveal significant USPAP violations and Respondent has complied with all terms of the Consent Order. (State Exhibits, pp. 7-9)

4. Respondent completed the USPAP course in October 2009 but then failed the examination and has not retaken it. (Respondent testimony; State Exhibits, p. 19; Respondent Exhibit A) In November 2009, the Board granted Respondent's request for an extension of the deadline to complete the additional coursework. The Board extended the deadline to April 30, 2010. (State Exhibits, pp. 14-15) The Board later denied Respondent's request for a second extension. (State Exhibits, pp. 18, 20) As of the date of hearing, Respondent had not taken the remaining educational courses required by the terms of the Consent Order. (State Exhibits, p. 2; Respondent testimony)

5. Respondent has attended the following continuing education courses: a 7 hour USPAP Update Course on June 18, 2010; a 7 hour course entitled "The Value of Communication (Report Writing)" on June 2, 2010; and a 3 hour course entitled "The New Residential Market Conditions" on May 1, 2009. (Respondent testimony; Respondent Exhibit A)

6. Respondent and his family have experienced financial setbacks that have made it difficult for him to pay the tuition and related travel expenses for the classroom courses required by the Consent Order. Respondent's appraisal business lost its primary client, and his wife lost her job. Respondent reports that they have filed for bankruptcy. However, there has recently been some improvement in Respondent's financial situation because his wife obtained part-time employment. (Respondent testimony; Respondent Exhibit A)

7. The courses that Respondent still needs to complete in order to satisfy the requirements of the Consent Order are next offered in Lincoln, Nebraska and in Kansas City, Kansas later this summer. Respondent has not yet registered for those classes. (Respondent testimony; Exhibit A)

CONCLUSIONS OF LAW

Iowa Code section 272C.3(2)(a)(2009) authorizes the Board to revoke or suspend a license upon failure of the licensee to comply with a decision of the board imposing licensee discipline. The preponderance of the evidence established that Respondent

failed to comply with the terms of the Combined Statement of Charges and Consent Order, which was issued on April 29, 2009. After receiving an extension, Respondent was required to complete all of the specified education by April 30, 2010. As of the date of the hearing, Respondent still had not passed the examination for the 15 hour USPAP course and still had not attended any of the other three required courses.

The Board is sympathetic to Respondent's difficult financial circumstances. Nevertheless, the Board's first and foremost obligation is to protect the public from incompetent appraisals. The Board had serious concerns about Respondent's competency and USPAP compliance, which led to the Combined Statement of Charges and Consent Order. More than a year has gone by and Respondent continues to practice as a residential real estate appraiser even though he has not complied with the remedial education and desk review required by the Consent Order. Moreover, Respondent failed the USPAP test after completing the 15-hour course and has not yet retaken and passed the examination. This fact only reinforces the Board's serious concerns about Respondent's competency and his present ability to comply with USPAP standards. For these reasons, the Board has determined that Respondent may not continue to practice as a residential real estate appraiser pending his compliance with the Consent Order unless he first obtains Board approved supervision for his appraisal practice. Because of Respondent's financial circumstances, the Board has decided to allow Respondent the option of taking the remaining educational courses on-line, as specified below.

DECISION AND ORDER

IT IS THEREFORE ORDERED that Iowa Real Estate Appraiser Certificate No. CR02375, issued to Respondent Jeff Golden, is hereby **SUSPENDED** effective **immediately upon service of this Decision and Order.**

IT IS FURTHER ORDERED that the certificate **SUSPENSION** will remain in effect until Respondent obtains Board approval for a practice supervisor. Following Board approval of the supervisor, the suspension of Respondent's certificate will be lifted and his certificate will be placed on **PROBATION** for an indefinite period, subject to the following terms and conditions:

1. **All** of Respondent's appraisal reports shall be prepared under the direct supervision of a certified residential real property appraiser, pre-approved by the Board. The approved supervisor may not have previously provided supervision to Respondent. Respondent will be responsible for all costs

associated with this supervision. Although Respondent will retain his status as a certified residential appraiser, the level of supervision provided to him must comply with the requirements for the supervision of associate appraisers, as provided by 193F IAC 4.2 and 193F IAC chapter 15.

2. For as long as Respondent is on probationary status, he shall submit a monthly log of all appraisals he has completed and shall provide the written log to the Board by the 10th of each month for the preceding month.

3. **Within ninety (90) days of receipt of this Decision and Order,** Respondent must:

a. Pass the USPAP examination associated with the 15-hour tested USPAP course and, if necessary for the examination, retake the course; and

b. Complete the following education:

- 30-hour AQB qualifying education course on residential sales comparison and income approach;
- 15-hour AQB qualifying education course on site valuation and cost approach, and
- 15-hour qualifying AQB qualifying education course on residential report writing and case studies.

Respondent may take these courses in a classroom setting or he may take the courses on-line through the Appraisal Institute. Respondent shall send his course completion certificate to the Board within 10 days of completing the course.

4. Following receipt of the course completion certificates for all of the required courses, the Board will select two reports from Respondent's log for Standard Three desk review by a Board selected appraiser. The reviewing appraiser may not be an appraiser that has worked with Respondent in the past. All costs associated with desk review will be the responsibility of the Respondent.

- The Standard Three desk review of each appraisal will 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 with copies of all documents verifying the accuracy of factual representations in each draft appraisal. Information requested may include documentation of paired sales analysis and documentation of support for site values, etc.

- The reviewer shall prepare written comments on each appraisal's compliance with USPAP, and shall provide copies of written comments to the Board and to Respondent. Respondent will then forward four copies of each of the appraisals to the Board with copies of all work files.



5. Respondent may file an application for release from probation after he has successfully completed all of the terms and conditions outlined in this Decision and Order. The Board will grant Respondent's request for release from probation if the desk review comments and appraisals do not reveal significant USPAP violations and if Respondent has complied with all terms of this Decision and Order.

If the desk review comments and/or appraisals reveal significant USPAP violations, then the Board will continue Respondent's probation on such terms as will address the issues identified through the desk review. The Board may accordingly 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 on such additional probationary terms.

6. The Board may file additional charges if one or more of the appraisal reports submitted for desk review demonstrate probable cause to take such action on an appraisal that was issued to the public.

IT IS FURTHER ORDERED, pursuant to Iowa Code section 272C.6 and 193 IAC 7.41, that the Respondent shall pay \$75.00 within thirty (30) days of receipt of this decision for fees associated with conducting the disciplinary hearing.

Dated this ^{5th} day of *August*, 2010


Michael Lara, Appraiser 
Chairperson
Iowa Real Estate Appraiser Examining Board

cc: Jeff Golden
701 42nd Street
West Des Moines, IA 50265 (Restricted Certified)

Pamela Griebel
Assistant Attorney General
Hoover State Office Building
Des Moines, Iowa 50319

Judicial review of the board's decision may be sought in accordance with the terms of Iowa Code chapter 17A. 193 IAC 7.37.

FILED 12/1/10 (Date)
IARE Appr Exam Board

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

Signature, Executive Officer

IN THE MATTER OF:)	Case No. 10-20
Jeff Golden)	
)	Voluntary Surrender of
Respondent.)	Certificate No. CR02375

Respondent voluntarily surrenders his real estate appraiser certificate as follows:

1. Respondent and the Board entered into a Consent Order to resolve a disciplinary investigation in April 2009. In May 2010, the Board charged Respondent with failure to comply with the disciplinary order.
2. Following hearing, the Board suspended Respondent's certificate and required that his appraisal practice be supervised until further order of the Board. The board also set a schedule for education Respondent needed to complete.
3. Rather than comply with the Board's hearing order, Respondent wishes to voluntarily surrender his certificate. He does not wish to reinstate his certificate in the future.
4. Respondent asks that his certificate be immediately placed on inactive status and that the surrender be effective upon acceptance by the Board.

IT IS THEREFORE ORDERED that the Board accepts Respondent's voluntary surrender and Respondent's certificate is hereby surrendered.

Respondent

[Redacted Signature]

Jeff Golden

Date

11/17/10

Iowa Real Estate Appraiser Examining Board

[Redacted Signature]

By: Michael Lara, Chair

Date

12/1/10