

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

|                            |   |                |
|----------------------------|---|----------------|
| IN THE MATTER OF:          | ) |                |
| Stuart W. Gray             | ) | CASE NO. 01-10 |
| Certificate Number CR01499 | ) | CONSENT ORDER  |
| RESPONDENT                 | ) |                |

The Iowa Real Estate Appraiser Examining Board (Board) and Stuart W. Gray, (Respondent) enter into this Consent Order pursuant to Iowa Code sections 17A.10(2001) and 193F IAC 8.7:

1. The Board has jurisdiction of this matter pursuant to Iowa Code Chapters 17A, 543D, and 272C (2000 & 2001).
2. Respondent is a certified residential real estate appraiser in Iowa. He was issued Certificate No. CR01499 on July 6, 1992.
3. The Board charged Respondent with a failure to comply with the Uniform Standards of Professional Appraisal Practice (USPAP), negligence or competence, and failure to exercise reasonable care in connection with three appraisal assignments completed in 2000 and 2001.
4. While not admitting all allegations of the Statement of Charges, Respondent does agree to the terms of this Consent Order.
5. In lieu of prosecuting a first offense of any of the offenses described in Iowa Code 543D.17 the Board and Respondent have agreed to enter into a consent order, pursuant to 193F-IAC section 8.7.
6. Respondent has a right to a hearing on the charges, but waives his right to hearing and all attendant rights, including the right to appeal, by freely and voluntarily agreeing to this Consent Order. Once entered, this Consent Order shall have the full force and effect of a disciplinary order entered following contested case hearing.
7. Respondent agrees the State's counsel may present this Consent Order to the Board and may have ex parte communications with the Board while presenting it.
8. This Consent Order shall be part of the permanent record of Respondent and shall be considered by the Board in determining the nature and severity of any disciplinary action to be imposed in the event of any future violations.

9. The Consent Order is a public record and available for inspection and copying in accordance with the requirements of Iowa Code chapter 22 (2001).
10. Failure to comply with the provisions of this Consent Order shall be considered prima facie evidence of a violation of Iowa Code section 543D.17(1) (2001), and shall be grounds for disciplinary action pursuant to Iowa Code section 272C.3(2)(a) (2001). However, no action may be taken against Respondent for violations of these provisions without a hearing, or waiver of hearing.
11. This Agreement is subject to approval of the Board. If the Board fails to approve this 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. If the Board approves this Agreement, it shall fully dispose of all issues in this case.

**IT IS THEREFORE ORDERED:**

**A. Reprimand**

The Respondent is reprimanded for failure to adhere to the Uniform Standards of Professional Appraisal Practice (USPAP). Respondent agrees to fully comply with all applicable USPAP standards in all future appraisal assignments.

**B. Education**


The Respondent shall complete the following educational courses:

- (a) Thirty (30) tested hours of Fundamentals of Real Estate Appraisal, focusing on the sales comparison and cost approach, successfully passing the exam. The hours may not be used on the June 2002 renewal.
- (b) Fifteen (15) tested hours of USPAP, successfully passing the exam. The hours may be used on the June 2002 renewal.

**Additional Orders**

12. The course work shall be completed by April 15, 2002. Documentation of education shall be submitted within ten days after the completion of each course.
10. The Board will request an appraisal log after completion of the education and will select appraisals for review for compliance with USPAP.
11. Respondent shall in the future adhere to all statutes and administrative rules in the practice of real property appraising.

**AGREED AND ACCEPTED:**

  
Stuart W. Gray  
Respondent

  
Sharon Chism, Chair  
Iowa Real Estate Appraiser Examining  
Board

11/22/01  
Date

12/3/01  
Date

IF YOU NEED SOMETHING ELSE PLEASE FAX ME  
BACK AT 319-352-2284, PLEASE LET ME KNOW THAT  
YOU RECEIVED THIS, BY FAX IS FINE.

THANK YOU, STUART W. GRAY  


# COPY

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

---

|                         |   |                      |
|-------------------------|---|----------------------|
| IN THE MATTER OF:       | ) |                      |
| Stuart W. Gray          | ) | CASE NO. 01-10       |
|                         | ) |                      |
| CERTIFICATE NO. CR01499 | ) | STATEMENT OF CHARGES |
|                         | ) |                      |
| RESPONDENT              | ) |                      |

---

COMES NOW, the Complainant Susan A. Griffel, and states:

1. She is the Executive Officer of the Iowa Real Estate Appraiser Examining Board and files this Complaint solely in her official capacity.
2. The Board has jurisdiction in this matter pursuant to Iowa Code Chapters 17A, 543D, 272C(2001).
3. On July 6, 1992, Stuart W. Gray, the Respondent, was issued an Iowa Real Estate Appraiser Certificate by the Board.
4. The Certificate No. CR01499 is currently in good standing.

### COUNT I

The Respondent is charged with violation of the Uniform Standards of Professional Appraisal Practice (USPAP) in connection with the development of three real estate appraisals pursuant to Iowa Code sections 543D.17(1)(d) and 543D.18(1)(2001) and Iowa Administrative Code 193F-7.1(5).

### COUNT II

The Respondent is charged with failing to exercise reasonable diligence in the preparation and communication of three real estate appraisals in violation of Iowa Code section 543D.17(1)(e)(2001).

### COUNT III

The Respondent is charged with negligence or incompetence in the preparation and communication of three real estate appraisals in violation of Iowa Code Section 543D.17(1)(f)(2001).

#### CIRCUMSTANCES

1. The Respondent prepared and communicated three (3) appraisals for real property identified as 921 W. 2<sup>nd</sup> Street, Waterloo, IA, 412 Wapsie Street, Waterloo, IA, and 321 Ricker Street, Waterloo, IA.
2. The above appraisals were prepared and communicated after the Respondent was issued Iowa Certified Residential Real Property Certificate No. CR01499.
3. The 921 W 2<sup>nd</sup> Street, Waterloo, IA. (dated October 10, 2001) report contains deficiencies including but not limited to the following:
  - a. Rendered appraisal services in a careless or negligent manner [1-1(c)]
  - b. Failure to clearly and accurately set forth the appraisal in a manner that will not be misleading [2-1(a)]
  - c. Failure to report on the extent of the process of collecting, confirming and reporting data [1-2(a) and 2-2(b)(vi)].
  - d. Failure to collect, verify, and reconcile comparable sales, adequately identified and described [1-4(b)(iii) and 2-2(b)(viii)]
  - e. Failure to adequately identify and report improvement(s) description [1-2(a) and 2-2(b)(i)].
  - f. Failure to employ recognized methods and techniques [1-1(a) and 2-2(b)(viii)].
  - g. Failure to include sufficient information to enable the person(s) who are expected to receive or rely on the report to understand it properly [2-1(b)].
  - h. Failure to analyze comparable data to estimate depreciation applicable to subject property in cost approach [1-4(b)(iii)]
  - i. Failure to adequately identify and report the site description [1-2(a) and 2-2(b)(l)].

4. The 412 Wapsie Street, Waterloo, IA (dated December 12, 2000) report contains deficiencies including but not limited to the following:

- a. Rendered appraisal services in a careless or negligent manner [1-1(c)]
- b. Failure to clearly and accurately set forth the appraisal in a manner that will not be misleading [2-1(a)]
- c. Failure to report on the extent of the process of collecting, confirming and reporting data [1-2(a) and 2-2(b)(vi)].
- d. Failures to collect, verify, and reconcile comparable sales, adequately identified and described [1-4(b)(iii) and 2-2(b)(viii)]
- e. Failure to adequately identify and report improvement(s) description [1-2(a) and 2-2(b)(i)].
- f. Failure to employ recognized methods and techniques [1-1(a) and 2-2(b)(viii)].
- g. Failure to include sufficient information to enable the person(s) who are expected to receive or rely on the report to understand it properly [2-1(b)].
- h. Failure to analyze comparable data to estimate depreciation applicable to subject property in cost approach [1-4(b)(iii)]
- i. Failure to adequately identify and report the site description [1-2(a) and 2-2(b)(i)].

5. The 321 Ricker Street Waterloo, IA (dated April 30, 2001) report contains deficiencies including but not limited to the following:

- a. Rendered appraisal services in a careless or negligent manner [1-1(c)]
- b. Failure to clearly and accurately set forth the appraisal in a manner that will not be misleading [2-1(a)]
- c. Failure to report on the extent of the process of collecting, confirming and reporting data [1-2(a) and 2-2(b)(vi)].
- d. Failures to collect, verify, and reconcile comparable sales, adequately identified and described [1-4(b)(iii) and 2-2(b)(viii)]

e. Failure to adequately identify and report improvement(s) description [1-2(a) and 2-2(b)(i)].

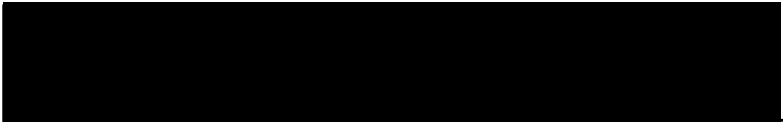
f. Failure to employ recognized methods and techniques [1-1(a) and 2-2(b)(viii)].

g. Failure to include sufficient information to enable the person(s) who are expected to receive or rely on the report to understand it properly [2-1(b)].

h. Failure to analyze comparable data to estimate depreciation applicable to subject property in cost approach [1-4(b)(iii)]

i. Failure to adequately identify and report the site description [1-2(a) and 2-2(b)(I)].

WHEREAS, the Complainant prays that a hearing be held in this matter and that the Board take such action as it deems appropriate under the law.



Susan A. Griffel, Executive Officer / *U*  
Complainant

On this 16th day of October 2001, the Iowa Real Estate Appraisal Examining Board found probable cause to file this complaint and to order a hearing in this case.

---

Sharon L. Chism, Chair  
Iowa Real Estate Appraiser Examining Board