

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

IN THE MATTER OF:

)
)
) **CASE NO. 02-33, 03-07**
)
)

Ron D. Rodgers
CG01751

)
) **STATEMENT OF CHARGES**
)
)

RESPONDENT

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

1. Susan A. Griffel is the Executive Officer of the Iowa Real Estate Appraiser Examining Board ("Board") and files this Statement of Charges on behalf of the Board solely in her official capacity.

2. The Board has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 272C, and 543D (2003).

3. Respondent is a certified general real estate appraiser in Iowa. He was issued Certificate No. CG01751 on January 4, 1994.

4. Certificate No. CG01751 is currently valid and in good standing, and is scheduled to expire on June 30, 2005.

5. Respondent first came to the Board's attention when the Board received a complaint in October 2002, concerning an appraisal report completed by the Respondent on September 13, 2002, regarding the property known as the Van Zee/Coop 34-79-20 in Prairie City, IA, dated 9/13/02. The Board received a subsequent complaint on 118 East Laura Lane, Knoxville, IA, dated 11/25/02. The Board then requested that the Respondent submit a farm appraisal that represented his best work. The Respondent voluntarily submitted two appraisals that included: 2043 Hwy #14, Knoxville, IA dated 1/2/03 and 775 98th Street, Pleasantville, IA dated 2/20/03. All reports were submitted for Standard Three reviews and were found to contain various USPAP violations. The Board cautioned the appraiser and noted their concerns with the appraisals in a letter to the Respondent, dated 6/3/2003. The Board recommended that the Respondent complete a 15 hour tested USPAP course and the Board would ask for a log at the end of the year and would select several appraisals for review, looking for improvement in the areas that were of concern to the Board. A letter, dated 1/20/04 was sent to the Respondent requesting a log. The Board subsequently selected 111 W. Sherman, Monroe, IA dated 1/22/04 from the log. The Respondent selected 1306 Hazel, Pella, IA dated 2/11/2004 for review. Both reports were

submitted for Standard Three reviews and were found to contain various USPAP violations.

6. All six review reports revealed numerous violations of the Uniform Standards of Professional Appraisal Practice (USPAP). As more fully itemized in each review report, the violations include, but are not limited to the following:

- a. Failure to identify and correctly interpret appraisal problem. 1-1(a).
- b. Failure to adequately identify and report the site description. 1-2(e)(I-iv), 2-2(b)(viii)
- c. Failure to consider and report the extent of the process of collecting, confirming and reporting data. 1-2(f), 2-2(b)(vii).
- d. Failure to adequately identify and report physical, functional and external market factors. 1-2(e)(i-v); 2-2(b)(iii),(ix).
- e. Failure to appropriately value the site. 1-4(b)(i), 2-2(b)(iii)(vii)(ix).
- f. Employed recognized methods and techniques incorrectly. 1-1(a), 2-2(b)(iii)(vii)(ix).
- g. Failure to collect, verify, analyze, and reconcile comparable sales, adequately identified and described. 1-4(a), 2-2(b)(iii)(vii)(ix).
- h. Failure to explain and support the exclusion of the Cost Approach. 2-2(b)(ix)(xi).
- i. Failure to consider, analyze and report prior sales in the last 12 months. 2-2(b)(iii)(vii)(ix).
- j. Failure to consider the quality and quantity of the data in the approaches, the applicability of the approaches and commented in the reconciliation. 1-6(a)(b), 2-2(b)(iii)(vii)(ix).
- k. Failure to clearly and accurately set forth the appraisal in a manner that will not be misleading. 2-1(a)(b)(c).
- l. Failure to provide a report containing sufficient information to enable the person(s) who are expected to receive or rely on the report to understand it properly. 1-1(a)(b)(c), 2-1(a)(b)(c).
- m. Failure to verify, analyze and reconcile comparable data to estimate cap/disc rate? 1-4(c)(iii), 2-2(b)(viii)(ix).

- n. Failure to consider, analyze and report the effect on value of terms/conditions of lease in appraisal of leased fee or leasehold. 1-2(e)(iv), 1-4(d), 2-2(b)(iii)(vii)(ix).
 - o. Report lacks sufficient information to enable the person(s) who are expected to receive or rely on the report to understand it properly. 1-1(a)(b)(c), 2-1(a)(b)(c).
 - p. Failure to report easements, restrictions or other items of a similar nature. 1-2(e)(iv), 1-3(a), 2-2(b)(iii)(ix).
7. On the 28th day of July, 2004, the Board found probable cause to file the following charges and to order a hearing in this case:

COUNT I

8. Respondent repeatedly failed to adhere to appraisal standards in the development and communication of appraisals; failed to exercise reasonable diligence in the development, preparation and communication of appraisals; and, demonstrated negligence or incompetence in the development, preparation and communication of appraisals, in violation of Iowa Code sections 543D.17(1)(d), (e), and (f), and 543D.18(1) (2003), and 193F Iowa Admin. Code 7.2 and (5).

WHEREFORE, 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.

Dated this 26th day of August, 2003.


Susan A. Griffel, Executive Officer

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

IN THE MATTER OF:)	
)	
Ron D. Rodgers)	CASE NO. 02-33, 03-07
CG01751)	
)	CONSENT ORDER
RESPONDENT)	

The Iowa Real Estate Appraiser Examining Board (Board) and Ron D. Rodgers (Respondent) enter into this Consent Order (Order), pursuant to Iowa Code section 17A.10 (2003) and 193 IAC 7.42:

1. The Board has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 543D, and 272C (2003).

2. Respondent is a certified general real estate appraiser. He was first certified in Iowa in 1994.

3. The Board filed a Statement of Charges alleging that:

Respondent repeatedly failed to adhere to appraisal standards in the development and communication of appraisals; failed to exercise reasonable diligence in the development, preparation and communication of appraisals; and, demonstrated negligence or incompetence in the development, preparation and communication of appraisals, in violation of Iowa Code sections 543D.17(1)(d), (e), and (f), and 543D.18(1) (2003), and 193F Iowa Admin. Code 7.2(5).

4. Respondent does not admit the charges but does agree to this Consent Order. Respondent has a right to a hearing on the charges, but waives his right to hearing and all attendant rights by freely and voluntarily entering into this Order. This Order is the final agency order in the contested case.

5. Respondent agrees the State's counsel may present this Order to the Board and may have exparte communications with the Board while presenting it.

6. This 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.

7. This Order and the Statement of Charges are public records available for inspection and copying in accordance with the requirements of Iowa Code chapter 22 (2003).

8. Failure to comply with the provisions of this Order shall be grounds for disciplinary action pursuant to Iowa Code section 272C.3(2)(a) (2003). However, no action may be taken against Respondent for violations of these provisions without a hearing, or waiver of hearing.

9. This Order is subject to approval of the Board:

(a) If the Board fails to approve this Order, 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 Order, it shall fully dispose of all issues in this case.

IT IS THEREFORE ORDERED:

A. Reprimand

Respondent is reprimanded for repeated violations of the Uniform Standards of Professional Appraisal Practice. However, the Board does recognize that Respondent has taken several voluntary steps to assure future adherence to USPAP, including formal education and an office-wide mentoring program.

B. Probation

1. Respondent shall be on probation until further order of the Board. The probationary period shall start December 15, 2004.
2. While on probation, Respondent, at Respondent's expense, shall submit 3 appraisals per month to a review appraiser pre-approved by the Board. Respondent may select which appraisals shall be submitted to desk review each month. The submissions shall include a mix of residential and commercial/agricultural reports. The review appraiser shall prepare written reports concerning each appraisal Respondent submits that describe Respondent's compliance with USPAP and any other appraisal standards which are applicable to the appraisal at issue, and shall specifically identify any changes reviewer deems necessary to bring the report into compliance with industry standards. Review appraiser shall comply with USPAP Standard Three. Upon completion of each report, review appraiser shall submit 1 copy of the report to Respondent and 1 copy to the Board. Respondent shall not submit to the client any appraisal report selected for desk review until he has received his copy of review appraisers report, and made any changes identified by desk reviewer.
3. For each reviewed appraisal, Respondent shall submit to the Board the appraisal in the form initially submitted to the review appraiser, the desk review report, the final appraisal as submitted to the client (noting any changes or amendments which were made as a result of the reviewer's comments), and Respondent's work file.

Such documents shall be submitted to the Board no later than 10 calendar days after the final appraisal has been issued to the client.

4. While on probation, Respondent shall submit a monthly log of his appraisals to the Board office no later than the 10th day following each calendar month.
5. Respondent may apply to be released from probation after he: (a) has successfully subjected at least 12 appraisals to desk review, and (b) the Board has received all of the documents described in paragraph 3. The Board shall release Respondent from desk review if (1) he has complied with the terms of the Consent Order, and (2) the review reports do not reveal significant USPAP violations (taking into consideration the potential that the appraisals may improve as desk review progresses). If the desk review reports do reveal significant USPAP violations, the probation shall continue for at least another 2 months before Respondent may again apply to be released from probation.
6. This settlement 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 on an appraisal that was issued to the public. 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.
7. Until released from the desk review process, Respondent agrees he shall not act as a review appraiser, and shall not co-sign appraisals with or supervise the work product of any other associate or certified appraiser, except as described in paragraph 8.
8. If Respondent wishes to supervise and co-sign the appraisals of one or more associates during probation, Respondent shall proceed as follows. Prior to December 1st, 2004, Respondent shall submit a list identifying all associates under him. Respondent shall also forward to the Board by December 1st, 2004, sample work product for each associate, which shall consist of two appraisals prepared by each associate; one of the appraisals by each associate shall have been submitted for a Standard 3 desk review by a desk reviewer pre-approved by the Board. In addition, prior to December 15, 2004, Respondent shall submit to the Board a written plan of supervision, which describes Respondents procedures for training associates and monitoring the quality of their work, The Board will allow Respondent to supervise one or more associates during probation if the submitted associate produced appraisals and accompanying desk review reports, and Respondents submitted plan of supervision demonstrate that Respondents continued supervision of his associates would be in the best interests of Respondent and the associate(s). Should the Board find any deficiency in the submitted material that the Board believes should prevent Respondent from supervising associates, the Board agrees to inform Respondent of the nature of such deficiency and allow Respondent 15 days to submit further material demonstrating that the deficiency has been cured (for example, if the Board found Respondents submitted plan of supervision somehow lacking, the Board agrees to allow Respondent 15 days to amend such plan to comply with the Board's

requirements). If such supervision is allowed, the Respondent shall provide with his monthly logs, a complete log for each applicable associate.

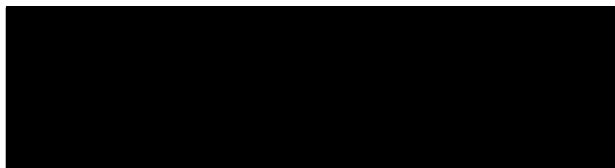
AGREED AND ACCEPTED:

The Respondent



Ron D. Rodgers

**The Iowa Real Estate Appraiser
Examining Board**



By: Richard Koestner, Chair

10-21-04
Date

10/22/04
Date

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

IN THE MATTER OF:)	
)	
)	CASE NO. 02-33, 03-07
RON D. RODGERS)	
CG01751)	ORDER RELEASING RESPONDENT
)	FROM PROBATION AND CLOSING
RESPONDENT)	CASE UPON CONDITIONS

Now on this 11th day of January, 2006, the Iowa Real Estate Appraiser Examining Board (Board), having reviewed the Consent Order and Respondent's compliance with the terms thereof, FINDS that:

1. Ron D. Rodgers has fully and satisfactorily complied with the terms of the Consent Order, as modified through concurrence with Respondent and his counsel, Steven P. Wandro, and should be released from probation.

2. Two provisions of the modified agreement should be incorporated into a permanent order: Respondent's trainee supervision protocol, and agreement to restrict his appraisal practice to residential and agricultural properties.

3. The case will be closed upon Respondent's submission of satisfactory evidence that he has appropriately reissued the appraisal initially dated May 12, 2005, regarding property located at 1839 E. Walnut Street, Des Moines, Iowa.

IT IS THEREFORE ORDERED:

A. Respondent is released from probation.

B. Respondent shall substantially comply with the trainee supervision protocol attached hereto as Exhibit A (Wandro letter dated March 7, 2005), except as modified by state law or rules.

C. Respondent shall not complete any appraisal assignment involving commercial real estate. He may continue appraising agricultural property under his Certified General designation, and all property appraisers may appraise under a certified residential designation.

D. The Board shall close this case upon satisfactory evidence received no later than March 1, 2006, that Respondent appropriately reissued the appraisal initially dated May 12, 2005, regarding property located at 1839 E. Walnut, Des Moines, Iowa.



Richard J. Koestner, Vice Chair

Copies to:

Ron D. Rodgers

Steven Wandro