

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

IN THE MATTER OF:)	
)	Case No. 12-24
Joseph R. Small)	
CR02739)	COMBINED STATEMENT OF
)	CHARGES AND CONSENT ORDER
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 (2013).
2. Respondent is a certified residential real estate appraiser in Iowa. He was issued Certificate No. CR02739 on February 13, 2006.
3. Certificate No. CR02739 is currently valid and in good standing, and is scheduled to expire on June 30, 2013.
4. The Board received a complaint in July 2012 raising questions about an appraisal completed by a different appraiser. In the course of investigation the Board obtained a copy of an appraisal completed by Respondent on the same property. The Board submitted both appraisals to a Standard Three USPAP review. The review of Respondent's appraisal revealed multiple issues with appraisal methodology, accuracy, and adherence to USPAP standards of practice. The Board picked two additional appraisals from a log and submitted them to review. All appraisals revealed concerns about Respondent's compliance with USPAP standards.
5. The Board charges Respondent with (a) failure to adhere to appraisal standards in the development and communication of appraisals; (b) failure to exercise reasonable diligence in the development, preparation and communication of appraisals; and, (c) demonstrating 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) (2011), and 193F Iowa Admin. Code 7.2, 7.3(2)(c), (d), 7.3(6)(a), and 7.3(7)(a).
6. The Board and Respondent have agreed to fully resolve these charges through the following Consent Order, rather than proceed to contested case hearing.
7. The Respondent does not admit the allegations of the charges, but does agree to comply with the Consent Order to resolve disputed matters.

B. Settlement Agreement and Consent Order

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 Order. Respondent agrees he had the opportunity to consult with counsel before agreeing to this Consent Order.

9. This Consent Order constitutes discipline against the Respondent, and is the final agency order in the contested case, pursuant to Iowa Code section 17A.10 and 193 Iowa Administrative Code 7.4.

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

11. 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 future disciplinary action to be imposed in the event of any future violations.

12. This Combined Statement of Charges and Consent Order is a public record available for inspection and copying in accordance with the requirements of Iowa Code chapter 22 (2013).

13. Failure to comply with the provisions of this Order shall be grounds for further disciplinary action pursuant to Iowa Code section 272C.3(2)(a) (2013). However, no action may be taken against Respondent for violations of these provisions without a hearing, or waiver of hearing.

14. 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. Education

1. Respondent shall successfully complete by December 1, 2013, the following courses, which shall be AQB approved qualifying courses, which Respondent may take in person or on-line, and may apply to his continuing education requirements for renewal:

a. A 30-hour tested course entitled, "Residential sales comparison and income approaches."

b. A 15-hour tested course entitled, "Residential appraiser site valuation and cost approach."

c. A 15-hour tested USPAP course.

2. Respondent shall forward to the Board a certificate of completion for each course within 10 calendar days of completion.

B. Logs and Desk Review

1. Until Respondent has complied with all terms of the Consent Order he shall send the Board appraisal logs on the 10th day of each month for the prior month's appraisals.

2. Approximately 60 days after Respondent has completed all education, the Board shall select two appraisals from his log for review that were completed after the education was completed.

3. Section A 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.

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

5. 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 4.

6. 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.

7. At the next meeting following the Board's receipt of the two review appraisals, the Board shall enter an order indicating Respondent's full compliance with this Consent Order, or, 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.

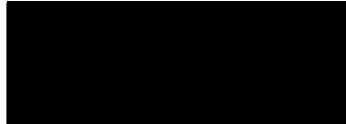
8. Respondent shall not supervise an associate appraiser or otherwise co-sign another appraiser's work as a supervisor until he has complied with all terms of the Consent Order.

9. 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. 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.

AGREED AND ACCEPTED:

The Respondent

Iowa Real Estate Appraiser Examining Board



Joseph R. Small

Chair

4-2-13
Date

5/7/13
Date

FILED 11/21/13 (Date)

IA RE Appr Ex Board

Board/Commission

BEFORE THE IOWA REAL ESTATE APPRAISER EXAMINING BOARD

Signature, Executive Officer

IN THE MATTER OF:)	Case No. 12-24
)	
Joseph Small)	RELEASE OF PROBATION IN
Respondent)	A DISCIPLINARY CASE

The Iowa Real Estate Appraiser Examining Board, having reviewed the records in the above captioned files, finds that Respondent has complied with terms of his consent order and should be released. The Board voted unanimously to release Respondent from probation on November 21, 2013.

IT IS THEREFORE ORDERED that the Respondent's probation is released.



Toni A Bright, Executive Officer
Iowa Real Estate Appraiser Examining Board
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