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STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN RE DISCIPLINARY PROCEEDINGS :
AGAINST :
 : FINAL DECISION AND ORDER
 ROCHELLE L. MORRISON, :
 : LS#0708131APP
 :
 RESPONDENT. :

Division of Enforcement Case No.s 06 APP 009 and 07 APP 026

The parties to this action for the purposes of Wis. Stats. Sec. 227.53 are:

Rochelle L. Morrison
2597 Haven Road
Green Bay, WI 54313

Real Estate Appraisers Board
P.O. Box 8935
Madison, WI 53708-8935

Department of Regulation and Licensing
Division of Enforcement
P.O. Box 8935
Madison, WI 53708 8935

PROCEDURAL HISTORY

A formal complaint has been filed in this matter. The parties in these matters agree to the terms and conditions of the attached Stipulation as the final decision of the matter(s), subject to the approval of the Real Estate Appraisers Board. The Board has reviewed the Stipulation agreement annexed to this Final Decision and Order, and considers it acceptable. Accordingly, the Board adopts the attached Stipulation and makes the following:

FINDINGS OF FACT

1. Respondent Rochelle L. Morrison ("Morrison"), whose last known address of record with the Department of Regulation and Licensing ("Department") is 2597 Haven Road, Green Bay, WI 54313, and whose date of birth is July 31, 1970, holds a certificate of licensure and license as a licensed appraiser in the state of Wisconsin (#4-1467). The certificate was first granted on July 2, 2002, and will expire on December 14, 2007.

Count I: Conduct Evidencing a Lack of Ability to Apply Professional Principles

2. On October 2, 2002, Ms. Morrison deposited a check into her personal banking account in the amount of \$2,200.00. The check was issued by Countrywide Home Loans, Inc. The check was issued to Appraisal Professionals. Appraisal Professionals was owned by appraiser John Mettner at all times relevant to this matter. Ms. Morrison had no ownership interest in Appraisal Professionals at all times relevant to this matter. At no time did Mr. Mettner give Ms. Morrison permission to deposit the check into her personal banking account.

3. On January 14, 2006, Ms. Morrison deposited a check into her checking account after altering the date of signing on the check. The check was issued by a homeowner. The check was issued to Ms. Morrison, but was post-dated to the end of January, 2006. Ms. Morrison altered the date and cashed the check on January 14, 2006, in an attempt to ensure that she was paid for appraisal work that she had performed. Ms. Morrison altered the date on the check and presented it to her bank at the suggestion of her client's representative.

4. Per Wis. Stat. § 458.26(3), "...the board may limit, suspend or revoke any certificate under this chapter... if the department or board finds that the... holder of the certificate has done any of the following: ... (c) Engaged in conduct while practicing as an appraiser which evidences a lack of knowledge or ability to apply professional principles or skills."

Count II: Sturgeon Bay Appraisals

5. On May 1, 2006, Ms. Morrison, doing business as Appraisal Advantage, signed an appraisal report for real property located at 1756 North 12th Place, Sturgeon Bay, WI (“May report” and “subject property,” respectively). The May report had an effective date of April 28, 2006. The May report gave an opinion of market value for the subject property of \$259,700.

6. On February 14, 2007, Ms. Morrison, again doing business as Appraisal Advantage, signed an appraisal report for the subject property (“February report”). The February report had an effective date of February 14, 2007. The February report gave an opinion of market value for the subject property of \$309,500.

7. A review of the May and February reports shows violations of the applicable Uniform Standards of Professional Appraisal Practice (USPAP) including, but not limited to, the following:

a. USPAP Standards Rule 1-1 (a), which requires appraisers to, “be aware of, understand and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal,” by selecting inappropriate comparable sales, including, but not limited to, comparable sale #2 of the February report, the sale of which included 180’ of waterfront access, and inappropriately evaluating the characteristics of comparable properties and the subject, including, but not limited to, indicating that comparable sale #1 of the February report was of only “average” quality construction, while rating the subject property as being of “Good” quality construction, when comparable sale #1 of the February report was constructed with superior materials.

b. USPAP Standards Rule 1-1 (b), which requires appraisers to, “not commit a substantial error of omission or commission that significantly affects an appraisal” by failing to make appropriate and necessary adjustments when employing the sales comparison approach to valuation for water access rights, neighborhood, site view, and condition.

c. USPAP Standards Rule 1-1 (b), by evaluating the subject property in the February report as if it consisted of 2,125 sq. ft. of above-grade gross living area and 1,000 square feet of below-grade gross living area, and in the April report as if it consisted of 2,135 sq. feet of above-grade GLA and 1,000 sq. feet of below-grade GLA, when the assessor’s records indicate that the subject property actually consists of 1248 sq. ft. of above-grade GLA, and 1080 sq. ft. of below-grade GLA.

8. Per Wis. Admin. Code § RL 86.01(2), “All appraisals performed in conjunction with federally related transactions and non-federally related transactions shall conform to the uniform standards of professional appraisal practice set forth in Appendix I.”

9. Per Wis. Stat. § 458.26(3), “... the board may limit, suspend or revoke any certificate under this chapter... if the... board finds that the... holder of the certificate has done any of the following: (b) Engaged in unprofessional... conduct in violation of rules promulgated under s. 458.24.”

Mitigating Factors

10. With respect to the check with the altered date, Ms. Morrison could have legally deposited the check into her account without altering the date on the check.

11. Ms. Morrison acknowledges that she double-counted the below-grade area as both above-grade area and below-grade area in the report, and that this was an error.

CONCLUSIONS OF LAW

1. The Wisconsin Real Estate Appraisers Board has jurisdiction to act in these matters pursuant to Wis. Stat. § 458.26.

2. The Wisconsin Real Estate Appraisers Board has authority to enter into this stipulated resolution of this matter pursuant to Wis. Stat. § 227.44 (5).

3. By embezzling funds from the appraisal company that formerly employed her, and by altering the date on a check given to her by a homeowner, as described above in paragraphs 2-3 of the Findings of Fact, **Rochelle L. Morrison** has engaged in conduct while practicing as an appraiser which evidences a lack of knowledge or ability to apply professional principles or skills, thereby subjecting herself to discipline per Wis. Stat. § 458.26 (3) (c).

4. By completing appraisal reports in a manner which does not comply with the Uniform Standards of Professional Appraisal Practice, as described above in paragraph 7 of the Findings of Fact, **Rochelle L. Morrison** has violated Wis. Admin. Code § RL 86.01 (2), thereby subjecting herself to discipline per Wis. Stat. § 458.26 (3) (b).

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The certificate of licensure and license of Respondent **Rochelle L. Morrison (#4-1467)** shall be, and hereby is, **SUSPENDED** for a period of no less than **SIX MONTHS** to begin twenty calendar days after the date of signing of this Order. The suspension shall continue until and unless she present proof that she has successfully completed Appraisal Principles or Appraisal Procedures, offered by the Appraisal Institute, or a substantially similar course or courses totaling no less than 30 hours. Alternative courses must be approved in advance by the Board's Monitoring Liaison. Successful completion shall include successful completion of all testing components, if offered.

IT IS FURTHER ORDERED that:

2. The certificate of licensure and license of Respondent **Rochelle L. Morrison (#4-1467)** is further **LIMITED** as follows: (a) Ms. Morrison may not appraise, or use as comparable sales, any property which is a waterfront property or which has waterfront access; and (b) Beginning six months after the termination of her suspension, and continuing for a period of 12 months, Ms. Morrison shall submit a roster of her appraisals every six months, from which the Board's Monitoring Liaison may select up to three reports for review of USPAP compliance. Any USPAP errors found may subject Ms. Morrison to discipline.

3. Ms. Morrison shall pay the costs of investigating and prosecuting this matter, in the amount of \$2,520.00, on or before January 1, 2009.

4. All payments and other submissions required by this Order shall be submitted to the Department Monitor by mailing or delivering the same to:

Department Monitor
Division of Enforcement
Department of Regulation and Licensing
P.O. Box 8935, Madison, WI 53708-8935
Telephone (608) 261-7904, Fax (608) 266-2264

5. Case numbers 06 APP 009 and 07 APP 026 are hereby closed.

6. This Order is effective on the date of its signing.

REAL ESTATE APPRAISERS BOARD

By: Marla Britton
A Member of the Board

2/27/08
Date