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STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF THE DISCIPLINARY :
PROCEEDINGS AGAINST :
: FINAL DECISION AND ORDER
ANTHONY J. GAZZANA, :
RESPONDENT. : LS0710031APP

Division of Enforcement Case No. 06 APP 096

The parties to this action for the purpose of Wis. Stat. § 227.53 are:

Anthony J. Gazzana
801 Ash Street #1203
San Diego, CA 92101

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

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

PROCEDURAL HISTORY

A disciplinary proceeding was commenced in this matter by the filing of a Notice of Hearing and Complaint with the Real Estate Appraisers Board on October 2, 2007. Prior to the hearing on the Complaint, the parties in this matter agreed to the terms and conditions of the attached Stipulation as the final disposition of this matter, subject to the approval of the Board. The Board has reviewed this Stipulation and considers it acceptable.

Accordingly, the Board in this matter adopts the attached Stipulation and makes the following Findings of Fact and Conclusions of Law and Order:

FINDINGS OF FACT

1. **Anthony J. Gazzana** (DOB 12/24/46) is a duly certified residential appraiser in the state of Wisconsin having certification # 9-1435, which was first granted on 09/08/2005.
2. Mr. Gazzana's most recent address on file with the Wisconsin Department of Regulation and Licensing is 801 Ash Street, #1203, San Diego, CA 92101.
3. Mr. Gazzana neither admits nor denies the allegations in this matter, but agrees to the adoption of this Final Decision and Order by the Board.

COUNT I: "READDRESSING" APPRAISALS AND AFFIXING ANOTHER APPRAISER'S SIGNATURE WITHOUT

THAT OTHER APPRAISER'S KNOWLEDGE
OR PERMISSION

4. A complaint was received from Wauwatosa Savings Bank relating to an appraisal for property located at 1549 S. 24th Street, Milwaukee, WI 53204 ("the subject property"). The appraisal received from Wauwatosa Savings Bank bears the signature of Maura Sullivan as the appraiser, along with the signature of Anthony J. Gazzana as the supervising appraiser.

5. The appraisal received from Wauwatosa Savings Bank identifies the client as Wauwatosa Savings Bank Oconomowoc, located at 1233 Corporate Center Drive, Oconomowoc, WI 53066. This appraisal identifies the date of the signatures of Ms. Sullivan and Mr. Gazzana and date of the report as May 9, 2006, with a February 13, 2006 effective date of the appraisal. The appraisal from Wauwatosa Savings Bank identifies the appraisal assignment type as a "purchase transaction" for borrower Mathew Kneuse, with the owner identified as James Miller.

6. Maura Sullivan was an employee of Homeland Appraisers Inc. in February 2006, but left the company in August 2006.

7. At all time relevant to this matter, Anthony Gazzana was a co-owner or owner of Homeland Appraisers, and was Ms. Sullivan's supervisor.

8. Maura Sullivan did not, in fact, prepare this appraisal for Wauwatosa Savings Bank or place her signature on any such appraisal. Prior to her being contacted by the Department for a response to the complaint filed by Wauwatosa Savings Bank, Ms. Sullivan had no knowledge that an appraisal for the subject property, bearing her signature, was prepared for, and provided to, Wauwatosa Savings Bank.

9. Ms. Sullivan did prepare an appraisal for the subject property, dated February 13, 2006, for client SLG Funding whose address was listed on the report as 10624 N. Port Washington Rd., Mequon, WI 53092. Ms. Sullivan's appraisal assignment from SLG Funding was for a refinance transaction for borrower Jim Miller. Ms. Sullivan's research revealed that the owner of records was Russell Schroeder.

10. Ms. Sullivan inspected the subject property and prepared this appraisal for SLG Funding on February 13, 2006, and submitted the appraisal for review by Mr. Gazzana that same day. It was a customary business practice of Homeland Appraisers for appraisers to submit appraisal reports to Mr. Gazzana or his co-owner for review before they were sent out to the client.

11. The only appraisal Ms. Sullivan ever prepared for the subject property and placed her signature on was the February 13, 2006 appraisal report for client SLG Funding.

12. The Department's investigation revealed that another appraisal report for the subject property bearing Ms. Sullivan's signature was prepared for client Robbins & Lloyd, without Ms. Sullivan's knowledge or permission. This appraisal bears an electronic signature for Ms. Sullivan as the appraiser, and also bears the signature of Anthony Gazzana as the supervisory appraiser. This appraisal identifies the date of the signatures of Ms. Sullivan and Mr. Gazzana and date of the report as April 17, 2006, with a February 13, 2006 effective date of the appraisal. The appraisal from Robbins & Lloyd identifies the appraisal assignment type as a "purchase transaction" for borrower Mathew Kneuse, with the owner identified as James Miller.

13. Mr. Gazzana took the appraisal Ms. Sullivan prepared on February 13, 2006 for SLG Funding, altered it for other clients and another borrower, signed it himself, and placed Ms. Sullivan's signature on the appraisals without Ms. Sullivan's knowledge or permission.

COUNT II: EXPECTING EMPLOYEES TO "HIT" TARGETED NUMBERS

14. On or about January 1, 2004 through September 2006, some appraisal assignments at Homeland Appraisers

would include an “estimated” or “target” value on their requests for appraisals.

15. Mr. Gazzana, as owner or co-owner of Homeland Appraisals during this time, and supervisor of other appraisers in the office, expected appraisers in his office to “hit” targeted numbers in performing their appraisals.

16. During this time, Mr. Gazzana instructed the appraisers working at Homeland Appraisals to search for comparable sales before inspecting the subject property in an effort to support the “estimated” or “target value.”

17. If the sales in the neighborhood could not support the “estimated” or “target” value, Mr. Gazzana’s policy was that the client be contacted and given the option of canceling the order with no costs incurred.

18. If an appraiser discovered something during the course of inspecting the subject property that caused the property to not meet or exceed the client’s “estimated” or “target” value, Mr. Gazzana’s policy was to give the client the option to cancel the order with a “post inspection cancellation” fee of \$50.00.

19. If an appraiser at Homeland Appraisers disagreed with an alteration Mr. Gazzana wanted him or her to make in the appraisal report with regard to value, or failed to hit the “target: amount, that appraiser would not be given any assignments for a period of time.

CONCLUSIONS OF LAW

1. The Wisconsin Real Estate Appraisers Board has jurisdiction to act in this matter pursuant to Wis. Stat. § 458.26, and is authorized to enter in the attached Stipulation pursuant to Wis. Stat. § 227.44(5).

2. Mr. Gazzana’s conduct of taking an appraisal of the subject property performed by Ms. Sullivan for SLG Funding and preparing new appraisals of the subject property for different clients—Wauwatosa Savings Bank and Robbins & Lloyd—with a different borrower, and affixing Ms. Sullivan’s signature on the appraisals without her knowledge or permission, as described above in paragraphs 3-12, violates the following:

a. Uniform Standards of Professional Appraisal Practice (USPAP) Ethics Rule, Conduct, by preparing and signing misleading and fraudulent reports;

b. USPAP Standards Rule 2-1(a) by creating misleading reports; and

c. Wis. Admin. Code § RL 86.01(5) by knowingly misrepresenting or concealing material facts in the appraisals provided to Wauwatosa Savings Bank and Robbins & Lloyd.

3. Mr. Gazzana’s conduct of expecting employees to “hit” “estimated” or “targeted” value numbers, as described above in paragraphs 13-15, violates USPAP Ethics, Conduct and Management.

4. Mr. Gazzana’s conduct of setting up a compensation arrangement based on whether the appraisal “hit” the “estimated” or “target” value violates USPAP Ethics Rule, Management.

5. As a result of the above USPAP violations, Mr. Gazzana is deemed to also have violated Wis. Stat. § 458.26(3)(c), and Wis. Admin. Code § RL 86.01(2), by engaging in conduct while practicing as an appraiser which evidences a lack of knowledge or ability to apply professional principals or skills, and is therefore subject to discipline pursuant to Wis. Admin. Code § 86.01(1) and Wis. Stat. § 458.26(3)(b),(c), and (i).

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The **VOLUNTARY SURRENDER** of the certified residential appraiser certification of **Anthony J. Gazzana**, certification # 9-1435, is hereby **ACCEPTED**.

2. IT IS FURTHER ORDERED that all rights and privileges granted to Respondent **Anthony J. Gazzana** pursuant to Wisconsin certified residential appraiser certification # 9-1435 are forever terminated, effective on the date this Order is signed.

3. Respondent **Anthony J. Gazzana** shall not seek to renew his certified residential appraiser certification or apply for licensure or certification as an appraiser in the State of Wisconsin in the future.

4. Respondent **Anthony J. Gazzana** shall pay **COSTS** of this matter in the amount of \$ \$1,500.00, according to the following schedule:

PAYMENT AMOUNT	PAYMENT DATE
\$300.00	January 15, 2008
\$300.00	April 15, 2008
\$300.00	July 15, 2008
\$300.00	October 15, 2008
\$300.00	January 15, 2009

5. Payment of costs (made payable to the Wisconsin Department of Regulation and Licensing by certified check or money order) shall be mailed to the Department Monitor at this address:

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

6. Violation of any of the terms of this Order may be construed as conduct imperiling public health, safety and welfare and may result in a summary suspension of Respondent's license. The Board in its discretion may in the alternative impose additional conditions and limitations or other additional discipline for a violation of any of the terms of this Order. In the event Respondent fails to timely submit any payment of costs as set forth above, or fails to submit indicia of licensure as ordered, Respondent's license # 9-1435 SHALL BE SUSPENDED, without further notice or hearing, until Respondent has complied with the terms of this Order.

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

WISCONSIN REAL ESTATE APPRAISERS BOARD

by: Mark P. Kowbel
A Member of the Board

10/17/07
Date