

# WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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STATE OF WISCONSIN  
BEFORE THE REAL ESTATE APPRAISERS BOARD

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IN THE MATTER OF DISCIPLINARY	:	
PROCEEDINGS AGAINST	:	<b>FINAL DECISION AND ORDER</b>
<b>KATIE M. DENEEN,</b>	:	LS0902255APP
RESPONDENT.	:	

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Division of Enforcement case file 08 APP 037

The parties to this action for the purpose of Wis. Stats. sec. 227.53 are:

Katie M. Deneen  
1515 Broadway Street  
Prairie du Sac, WI 53578

Wisconsin 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

The parties in this matter agree to the terms and conditions of the attached Stipulation as the final disposition of this matter, subject to the approval of the Wisconsin Real Estate Appraisers Board (“Board”). The Board has reviewed this Stipulation and considers it acceptable. Accordingly, the Board adopts the attached Stipulation in this matter and makes the following Findings of Fact, Conclusions of Law, and Order:

### FINDINGS OF FACT

1. Katie M. Deneen is licensed in the State of Wisconsin as a Real Estate Appraiser having license # 4-1790, first issued on May 5, 2004.
2. Ms. Deneen’s most recent address on file with the Department of Regulation and Licensing (“Department”) is 1515 Broadway Street, Prairie du Sac, WI 53578.
3. On March 18, 2008, Ms. Deneen prepared an appraisal of property at 1013 Connie Road in West Baraboo, Wisconsin.
4. In her appraisal and appraisal report, Ms. Deneen failed to comply with the Uniform Standards of Professional Appraisal Practice (USPAP) Standards Rules (S.R.) in the following ways:
  - a. The pre-printed language in the report indicates that the intended use is mortgage financing when it was instead to confirm value prior to a prospective buyer writing an offer to purchase. This could have been more clearly stated in the report. This concern by itself would not be a cause for discipline.
  - b. The report does not provide an opinion of reasonable exposure time linked to the value opinion (see the comment below S. R. 1-2 (c) (iv)). This concern by itself would not be a cause for discipline.
  - c. The report incorrectly states that the subject property has a two-car garage, when it is three.
  - d. The report incorrectly states that the subject was built in 2008, when it has been listed on the market since June of

2006.

According to the MLS, the subject

e. The report fails to mention the a number of value-adding features that are reported on MLS: a hot tub, fireplace, solid surface kitchen counters, cathedral/vaulted ceiling and wood or simulated wood and tile floors.

f. The report states that the property is .30 acres, but there are two tax parcels assigned to this address, one with a site size of .16 acres and the other with a site size of .35 acres. This should be explained.

g. The report uses 2006 tax information when 2007 tax information would have been readily available.

h. The report does not include a Highest and Best Use analysis. Simply checking a box on a form does not constitute analysis, even though this is generally accepted practice when using the FNMA/FHLMC forms. This concern by itself would not be a cause for discipline.

i. The report does not explain the lack of age adjustments when it appears as if they should have been made.

j. The report lists the age of comparable sale (comp) 2 as 2 years; it sold previously in June of 2004 for \$272,900, so it is 4 years old, not 2.

k. The report fails to list and address various value-adding features for the comparable sales:

comp 1- solid surface counters, fireplace, cathedral/vaulted ceiling, jetted tub.

comp 2 - fireplace, cathedral/vaulted ceiling, tile floors, deck

comp 3 - cathedral/vaulted ceiling, jetted tub.

comp 4 - fireplace

comp 5 - cathedral/vaulted ceiling, birch and tile floors, granite counters, wet bar.

l. The report says on pages 2 and 13 that the Cost Approach was not completed when it was completed. The report states incorrectly that "The cost approach is not an ordinary approach to value for this age of property."

m. The Income Approach was excluded due to "lack of data", which is not a valid reason to exclude it. More appropriate reasons might be that zoning prohibits rental, similar homes are purchased for owner occupancy (not investment), etc.

n. The report contains no analysis of the subject's listing agreement.

o. The report lists the wrong expiration date for Ms. Deneen's license.

5. Ms. Deneen has agreed to resolve this matter by voluntarily surrendering her Real Estate Appraisers license.

## **CONCLUSIONS OF LAW**

1. The Wisconsin Real Estate Appraisers Board has jurisdiction to act in this matter pursuant to section 458.26 (3) of the Wisconsin Statutes and is authorized to enter into the attached Stipulation pursuant to sec. 227.44(5), Wis. Stats.

2. By failing to comply with USPAP in her appraisal and appraisal report, Respondent Katie M. Deneen violated sections RL 86.01 (1) and (2) of the Wisconsin Administrative Code.

## **ORDER**

NOW, THEREFORE, IT IS ORDERED that the attached Stipulation is hereby accepted.

IT IS FURTHER ORDERED that the voluntary surrender of the Real Estate Appraisers license issued to Katie M. Deneen is hereby accepted.

IT IS FURTHER ORDERED that file 08 APP 037 be closed.

Dated this 25<sup>th</sup> day of February, 2009.

**WISCONSIN REAL ESTATE APPRAISERS BOARD**

By: Sharon Fiedler