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STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF DISCIPLINARY :
PROCEEDINGS AGAINST : **FINAL DECISION AND ORDER**
ROGER N. CARRON, : LS0908121APP
RESPONDENT. :

Division of Enforcement case number 08 APP 031

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

Roger N. Carron
P.O. Box 274
Grafton, WI 53024

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 the 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. Roger N. Carron is licensed in the State of Wisconsin as a Real Estate Appraiser and certified as a Certified Residential Appraiser, having license number 9-25, first issued on August 1, 1991.
2. Mr. Carron’s most recent address on file with the Department of Regulation and Licensing (“Department”) is P.O. Box 274, Grafton, WI 53024.
3. Mr. Carron performed an appraisal and prepared an appraisal report for property at N 101 W 15622-1564 Council Bluff Drive in Germantown, Wisconsin as of February 20, 2008. His estimate of value was \$281,000.
4. In his appraisal and appraisal report, Mr. Carron failed to comply with the Uniform Standards of Professional Appraisal Practice (USPAP) Standards Rules (S.R.) in the following ways:
 - a. The appraisal report states the site as being irregular with an area of 0.55 acres. The site dimensions, per the plat page are, 130.00 x 139.97 x 130.00 x 139.99 for a total area of 18,197 square feet or 0.42 acres.
 - b. The specific zoning classification is stated as “Residential”, though the specific zoning classification is RD 2, with the description being: One and Two Family Residential.

- c. The interest to be valued or Property Rights is stated as Fee Simple. Both units are under a lease agreement, therefore, the interest to be valued is Leased Fee. It is not uncommon for properties with short term lease(s) to be valued as Fee Simple. The subject tenants appear to be on a Month to Month basis.
- d. The Gross Building Area stated in the report is 2484 square feet. This area matches that of the assessor's. The Gross Building Area calculated from the Building Sketch is 1260 per unit or 2520 square feet.
- e. The appraisal request from the client states the report is due 2/21/08. The property was inspected on 2/20/08, signed 2/21/08, and the appraiser stated in his phone conversation and written response to phone conversation with Mr. Ralph Drager, that he revisited the property 2 days later to measure and view the exterior. If so, the revisit and measurements may have occurred after the report was delivered to the client.
- f. The adjustments in the sales comparison approach are grossly inadequate, the dollar amount of the adjustments may have been appropriate 20-30 years ago, however, they do not appear accurate in today's market.
- g. The cost approach appears manipulated to fit the sales comparison approach.
- h. Within the income approach, the stated rents for the rental comparable rents do not match actual rents for those properties and a gross rent multiplier was utilized outside the range of the sales. It appears the comparable rental rates were estimated to support the subject's rental rates and a gross rent multiplier was chosen to fit the conclusion of the sales comparison approach. No explanation was provided for the gross rent multiplier. The Gross Rent Multipliers calculated and illustrated from the sales are 145.00, 142.45, and 140.00 respectively. The appraiser used a Gross Rent Multiplier of 156, with no explanation.
- i. There was no commentary regarding the applicability or suitability of the approaches, only that they all supported the final opinion of value.
- j. The appraisal report states the effective date of the appraisal, but, fails to identify the date of the report. This is typically accomplished within the letter of transmittal.

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. Findings of Fact 4a, 4b, 4c, 4d and 4e above are violations of USPAP Standards Rule (S.R.) 1-2(e) (i) and S.R. 1-2 (e) (ii) and S.R. 2-2 (b) (iii) — Property Characteristics.
3. Finding of Fact 4f above is a violation of USPAP Standards Rule (S.R.) 1-4 (a) The Sales Comparison Approach.
4. Finding of Fact 4g above is a violation of USPAP Standards Rule (S.R.) 1-4 (b) The Cost Approach.
5. Finding of Fact 4h above is a violation of USPAP Standards Rule (S.R.) 1-4 (c) (i) (iii) (iv) The Income Approach.
6. Finding of Fact 4i above is a violation of USPAP Standards Rule (S.R.) 1-6 (b) Reconciliation.
7. Finding of Fact 4j above is a violation of USPAP Standards Rule (S.R.) S.R. 2-2 (a) (vi) Relevant Dates
8. By failing to comply with USPAP in the appraisals and the appraisal reports for property at N 101 W 15622-1564 Council Bluff Drive in Germantown, Wisconsin, Respondent Robert N. Carron violated sections RL 86.01 (1) and (2) of the Wisconsin Administrative Code, and is subject to discipline under section 458.26 (3), Wis. Stats.

ORDER

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

IT IS FURTHER ORDERED that within six months of the date of this Order, the respondent, Roger N. Carron, must successfully complete at least 15 hours of real estate appraisal education that covers the income and cost approaches to valuation. Classes may be taken from the Appraisal Institute, Robbins & Lloyd, McKissock, or any other educational institution approved by the Department of Regulation and Licensing, and approved in advance. None of the education completed pursuant to this order may be used to satisfy any continuing education requirements that are or may be instituted by the Board or the Department of Regulation and Licensing. Mr. Carron shall submit proof of successful completion in the form of verification from the institution providing the education to the following address:

Department Monitor
Department of Regulation and Licensing,
PO Box 8935, Madison, WI 53708-8935.
Fax (608) 266-2264
Tel. (608) 267-3817

In the event Mr. Carron fails to successfully complete the educational requirements in the manner set forth, or to obtain an extension of time for good cause, his Real Estate Appraisers license shall be suspended without further hearing and without further Order of the Board, and said suspension shall continue until further Order of the Board or until he provides to the Department proof of completion of all said educational requirements.

IT IS FURTHER ORDERED that Roger N. Carron pay the Department's costs of this matter in the amount of **\$588** within 60 days of the date of this Order. Payment shall be made by certified check or money order, payable to the Wisconsin Department of Regulation and Licensing and sent to the Department Monitor. In the event Mr. Carron fails to pay the costs within the time and in the manner as set forth above, his Real Estate Appraisers license shall be suspended without further notice, without further hearing, and without further Order of the Board, and said suspension shall continue until the full amount of said costs have been paid to the Department of Regulation and Licensing.

IT IS FURTHER ORDERED that file 08 APP 031 be closed.

Dated this 12th day of August, 2009.

WISCONSIN REAL ESTATE APPRAISERS BOARD

By: Marla Britton, Board Chair, or another member of the Board