

WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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**STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD**

IN RE DISCIPLINARY PROCEEDINGS	:	
AGAINST	:	FINAL DECISION AND ORDER
	:	
DAVID T. GEHRING.	:	<u>ORDER0000082</u>
	:	
APPLICANT.	:	

Division of Enforcement Case No. 09 APP 012

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

David T. Gehring
1427 Raedel Road
Eau Claire, WI 54703

Department of Regulation and Licensing
Office of the Secretary
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 decision of this matter, subject to the approval of the Real Estate Appraisers Board ("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. David T. Gehring, date of birth, 10/29/50, is currently certified as a Certified Residential Appraiser and Licensed Appraiser, having certification, #9-0209. This certification was first granted on: 11/22/91.
2. The last known address on record at the Department of Regulation and Licensing ("Department") for Mr. Gehring is: 1427 Raedel Road, Eau Claire, Wisconsin 54703.

3. At all times relevant to this action, Mr. Gehring was responsible for compliance with chapter 458 of the Wisconsin Statutes, RL 86 of the Wisconsin Administrative Code, and the 2008-2009 Uniform Standards of Professional Appraisal Practice (USPAP).

4. On January 23, 2009, Mr. Gehring signed an appraisal report for residential property located at 110 S. Liberty Street, Fall Creek, Wisconsin. On February 10, 2009, a complaint was received by the Department, in which it alleged the Respondent had committed numerous USPAP violations in the January 23, 2009 appraisal report. Subsequently, a case was opened for investigation.

5. A review of Mr. Gehring's January 23, 2009 appraisal report revealed the following 2008-2009 USPAP violations including, but not limited to:

- a. USPAP Standards Rules 1-2c and 2-2b(v), by not providing an opinion of reasonable exposure time linked to the value opinion;
- b. USPAP Standards Rules 1-2e and 2-2b(iii), by offering no support in the report as to why the building which is 109 years old and in "average" condition would have an effective age of 15 years;
- c. USPAP Standards Rules 1-2g and 2-2b(x), by mentioning a hypothetical condition involving "planned improvements" existing but not indicating what the planned improvements are. According to the reviewer, the report does not clearly and conspicuously state that the use of the hypothetical condition of planned improvements might affect the assignment results (i.e. the value opinion might be different);
- d. USPAP Standards Rules 1-3a and 2-2b(iii), by indicating that the subject is grandfathered and does not conform to zoning but fails to provide additional information about what makes the property non-conforming;
- e. USPAP Standards Rules 1-3b and 2-2b(ix), by failing to offer any highest and best use analysis;
- f. USPAP Standards Rules 1-4a and 2-2b(viii), by failing to provide an explanation for adjustments; and
- g. USPAP Standards Rules 1-4b and 2-2b, by failing to provide support for the concluded land value and no rationale as to why the Cost Approach is applicable to a building that is 109 years of age.

6. Per Wis. Stat. § 458.26(3), "...the board may limit, suspend or revoke any certificate under this chapter or reprimand or impose additional continuing education requirements on the holder of the certificate...if the department or 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."

7. 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."

8. During the course of the investigation, Mr. Gehring admits that there were problems with the January 23, 2009 report and has been cooperative with the Department.

9. In resolution of this matter, Mr. Gehring consents to the entry of the following Conclusions of Law and Order.

CONCLUSIONS OF LAW

1. The Wisconsin Department of Regulation and Licensing has jurisdiction to act in these matters pursuant to Wis. Stat. § 458.06.

2. The Wisconsin Department of Regulation and Licensing has authority to enter into this stipulated resolution of this matter pursuant to Wis. Stat. § 227.44 (5).

3. By performing an appraisal and rendering a report from such appraisal that does not conform to the Uniform Standards of Professional Appraisal Practice, as set forth in Paragraph five (5) of the Findings of Fact, David T. Gehring has committed seven or more violations of Wis. Admin. Code § RL 86.01(2), thereby subjecting himself to discipline per Wis. Stat. § 458.26(3)(b).

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The certification of David T. Gehring (#9-0209) shall be, and hereby by is, **REPRIMANDED**.

IT IS FURTHER ORDERED that:

2. David T. Gehring shall present proof of successful completion of **forty-five (45) hours** in remedial education, which shall consist of the following courses or topics, or equivalent courses to be taken through the Appraisal Institute of Education:

- Thirty (30) hours of the **Basic Appraisal Procedures** course, offered by the Appraisal Institute of Education. This course may be taken in person or on-line;
- Thirty (30) hours of the **Residential Sales Comparison and Income Approaches** course, offered by the Appraisal Institute of Education. This course may be taken in person or on-line;

- Thirty-nine (39) hours of the **Residential Case Study** course, offered by the Appraisal Institute of Education. This course may be taken in person or on-line;
- Fifteen Hours (15) hours of the **Advanced Residential Applications & Case Studies/Part I** course, offered by the Appraisal Institute of Education. This course may be taken in person or on-line;
- Fifteen Hours (15) hours of the **Residential Site Valuation and Cost Approach** course, offered by the Appraisal Institute of Education. This course may be taken in person or on-line;

3. The courses must be completed within one year from the dating and signing of the Order.

IT IS FURTHER ORDERED that:

4. David T. Gehring shall pay costs in the amount of **FIVE HUNDRED DOLLARS (\$500.00)** within ninety (90) days of the date and signing of this Order.

5. Proof of completion of coursework, payment of costs, and all other submissions required shall be mailed, faxed, delivered, or otherwise transmitted to:

**Department Monitor
Division of Enforcement
Department of Regulation and Licensing
P.O. Box 8935, Madison, WI 53708-8935
Telephone: (608) 267-3817; Fax: (608) 266-2264**

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

7. Case number 09 APP 012 is hereby closed as to David T. Gehring.

REAL ESTATE APPRAISERS BOARD

By:


Board Member, Real Estate Appraisers Board

2/24/2010
Date