

WISCONSIN DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES



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STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

RALPH H. BAUCH,
RESPONDENT.

:
:
: FINAL DECISION AND ORDER
:
: ORDER 0002007

Division of Enforcement Case No. 11 APP 035

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

Ralph H. Bauch
W10596 Rowley Rd.
Portage, WI 53901

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

Division of Enforcement
Department of Safety and Professional Services
P.O. Box 8935
Madison, WI 53708-8935

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 Real Estate Appraisers Board (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, Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent Ralph H. Bauch (dob 11/25/1950) is licensed in the State of Wisconsin as a Certified Residential Appraiser and Licensed Appraiser, having license number 9-113, first issued on 10/14/1991 and current through 12/14/2013. Mr. Bauch's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is W10596 Rowley Road, Portage, Wisconsin 53901.

2. In 2001, 2006, 2008 and 2010, Respondent Bauch was disciplined by the Board for violating numerous Uniform Standards of Professional Appraisal Practice (USPAP) and/or Standards Rules (SR). Respondent Bauch has been: 1) suspended on two occasions, 2) assessed a forfeiture, and 3) ordered to complete over 100 hours of education. Further his license has

been, and remains, limited such that he is not to supervise the work of other appraisers or unlicensed persons performing appraisal work.

3. In December 2010, Respondent Bauch performed an appraisal for property located at W9304 Earnie Road, Poynette, Wisconsin. Respondent Bauch's appraisal report, dated December 23, 2010, provided a value of \$268,500 for the property.

4. On or about July 21, 2011, the Department received a complaint alleging that Respondent Bauch engaged in unprofessional conduct in the performance of an appraisal resulting in an inflated value estimate and non-credible appraisal report. Division of Enforcement Case Number 11 APP 035 was subsequently opened for investigation.

5. Respondent Bauch's appraisal was reviewed by the Division of Enforcement and it was determined that the appraisal and appraisal report violated USPAP and/or SR as follows:

- a. Respondent failed to correctly calculate adjustments of the comparable sales which resulted in an overvaluation of the subject property. (SR 1-1(b), Conduct Section of Ethics Rule.)
- b. Respondent failed to analyze a recent sale of property similar to the subject property. (SR 1-4(a).)
- c. Respondent failed to analyze the dimensions and site size of the subject property. (SR 1-2(e)(i).)
- d. Respondent failed to verify the cost data. (SR 1-4(b)(i).)
- e. Respondent failed to include costs for the basement and four outbuildings in the cost approach. (SR 1-4(b)(i).)
- f. Respondent incorrectly identified the subject property's listing price and failed to acknowledge concessions the seller's were willing to make. (SR 1-5(a).)
- g. Respondent inconsistently and/or incorrectly described the subject property's condition and livability. (SR 2-1(a,b).)

6. In resolution of this matter, Respondent Bauch consents to the entry of the following Conclusions of Law and Order.

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 into the attached Stipulation pursuant to Wis. Stat. § 227.44(5).

2. By the conduct described in Finding of Fact 5.a., Respondent Bauch violated SR 1-1(b) by committing a substantial error of omission or commission that significantly affects an appraisal.

3. By the conduct described in Finding of Fact 5.c., Respondent Bauch violated SR 1-2(e)(i) by failing to identify the characteristics of the property that are relevant to the type and definition of value and intended use of the appraisal, including its location and physical, legal, and economic attributes.

4. By the conduct described in Finding of Fact 5.b., Respondent Bauch violated SR 1-4(a) by failing to analyze such comparable sales data as are available to indicate a value conclusion in the sales comparison approach.

5. By the conduct described in Findings of Fact 5.d.-e., Respondent Bauch violated SR 1-4(b)(i) by failing to develop an opinion of site value by an appropriate appraisal method or technique in the cost approach.

6. By the conduct described in Finding of Fact 5.f., Respondent Bauch violated SR 1-5(a) by failing to analyze all agreements of sale, options, and listings of the subject property current as of the effective date of the appraisal when developing market value.

7. By the conduct described in Finding of Fact 5.g, Respondent Bauch violated SR 2-1(a,b) by:

- a. failing to clearly and accurately set forth his appraisal in a manner that will not be misleading.
- b. failing to include sufficient information in his report to enable the intended users to understand the report properly.

8. By the conduct described in Finding of Fact 5.a., Respondent Bauch violated the Conduct Section of the Ethics Rule by performing an assignment in a grossly negligent manner.

9. As a result of the above violations, Respondent Bauch has violated Wis. Admin. Code §§ RL (now SPS) 86.01(1) and (2), and is therefore subject to discipline pursuant to Wis. Stat. §§ 458.26(3)(b), (c) and (i).

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The attached Stipulation is hereby accepted.
2. Respondent Ralph H. Bauch's Certified General Appraiser and Licensed Appraiser license (no. 9-113) is hereby SUSPENDED for a period of 6 months beginning 30 days after the date of this Order.

3. Within 180 days of the date of this Order, Respondent Bauch shall pay COSTS of this matter in the amount of \$887.00.

4. Costs in this matter shall be made payable to the Wisconsin Department of Safety and Professional Services and sent to the Department Monitor at the address below:

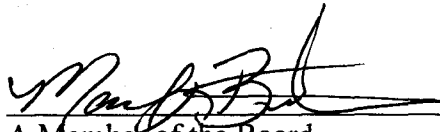
Department Monitor
Division of Enforcement
Department of Safety and Professional Services
P.O. Box 8935, Madison, WI 53708-8935
Telephone (608) 267-3817, Fax (608) 266-2264

5. 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 payment of the costs in this matter as ordered and as set forth above, Respondent's license (no. 9-113) may, in the discretion of the Board, be SUSPENDED, without further notice or hearing, until Respondent has complied with payment of the costs.

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

WISCONSIN REAL ESTATE APPRAISERS BOARD

by:


A Member of the Board

8/22/2012
Date