

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

RONALD A. FUHRMANN,
RESPONDENT.

:
:
: FINAL DECISION AND ORDER
:
: **ORDER 0003714**

Division of Legal Services and Compliance Case No. 12 APP 081

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

Ronald A. Fuhrmann
121 Derrick Street
Kendall, WI 54638

Wisconsin Real Estate Appraisers Board
P.O. Box 8366
Madison, WI 53708-8366

Division of Legal Services and Compliance
Department of Safety and Professional Services
P.O. Box 7190
Madison, WI 53707-7190

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 Ronald A. Fuhrmann (dob 3/31/1950) is licensed in the State of Wisconsin as a Certified Residential Appraiser, having certificate of licensure and certification number 1692-9, first issued on May 7, 2008 and current through December 14, 2015. Respondent's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is 121 Derrick Street, Kendall, WI 54638.

2. On October 17, 2012, Respondent performed an appraisal of property located at 112 E. Burns Street, Portage, WI 53901-1747.

3. On or about October 26, 2012, the Department received a complaint alleging that the subject appraisal violated the Uniform Standards of Professional Appraisal Practice (USPAP). Division of Legal Services and Compliance Case Number 12 APP 081 was subsequently opened for investigation.

4. Respondent's appraisal report for the Portage property was reviewed by the Division of Legal Services and Compliance and it was determined that the appraisal and appraisal report violated USPAP Rules and/or Standards Rules (SR) as follows:

- a. Respondent's work file does not contain market data for the Market Conditions Addendum to and neighborhood analysis in the report. [Record Keeping Rule.]
- b. Respondent's work file does not reflect a list or summary of sales to support his opinion of site value in the cost approach. [Record Keeping Rule.]
- c. Respondent identified a discontinued format for the appraisal report. [SR 1, SR 1-1(c).]
- d. Respondent used MLS photographs rather than taking photographs of the comparable properties at the time of the appraisal. [Scope of Work Rule.]
- e. Respondent claims he made an Extraordinary Assumption over the MLS data but no Extraordinary Assumption was stated in the report. Respondent used an Extraordinary Assumption when the MLS data could have been verified through the normal course of business. [Scope of Work Rule.]
- f. Respondent failed to outline the Neighborhood Boundaries but rather indicated that a map contained in the report constituted the neighborhood boundaries. [SR 1-1(c), Scope of Work Rule.]
- g. Respondent incorrectly listed the site dimensions, specific zoning classification, above grade living area and basement area of the subject property. [SR 1-3(a), SR 1-2(e)(i), SR 1-1(c).]
- h. Respondent incorrectly identified Comparable Sale #1 as an Arm's Length transaction when it was a REO/Foreclosure. [SR 1-4.]
- i. Respondent incorrectly reported the improvements of the Comparable Sales, including the number and size of bathrooms, number and size of porches, built-in artificial fireplace, wood deck, and a basement walk-out. [SR 1-4, SR 1-1(b), SR 1-4(a).]
- j. Respondent incorrectly estimated the age of the subject property and Comparable Sales when assessor information was readily available. [SR 1-4, SR 1-1(b), SR 1-4(a).]

- k. Respondent incorrectly included an unheated den area in the above grade living area in Comparable Sale #2. [SR 1-4.]
- l. Respondent incorrectly identified Comparable Sale #3 as an Arm's Length Sale when it was an estate sale. [SR 1-4.]
- m. Respondent failed to explain his method of determining the lot size, above grade living area, and basement area which varied from the Assessor and MLS listed figures in the comparable sales. [SR 1-1(b), SR 1-4, SR 2-2(b)(viii).]

5. In resolution of this matter, Respondent 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 the Findings of Fact, Respondent violated the USPAP Record Keeping Rule by failing to include all data, information and documentation necessary to support the appraiser's opinions and conclusions.
- 3. By the conduct described in the Findings of Fact, Respondent violated the USPAP Competency Rule by failing to be competent to perform the assignment.
- 4. By the conduct described in the Findings of Fact, Respondent violated the USPAP Scope of Work Rule by failing to determine and perform the scope of work necessary to develop credible assignment results.
- 5. By the conduct described in the Findings of Fact, Respondent violated USPAP SR 1 by failing to identify the problem to be solved, determine the scope of work necessary to solve the problem, and correctly complete the research and analysis necessary to produce a credible report.
- 6. By the conduct described in the Findings of Fact, Respondent violated USPAP SR 1-1(b, c) by:
 - a. committing a substantial error of omission or commission that significantly affects an appraisal; and
 - b. rendering appraisal services in a careless or negligent manner, such as by making a series of errors that, although individually might not significantly affect the results of an appraisal, in the aggregate affects the credibility of those results.

7. By the conduct described in the Findings of Fact, Respondent violated USPAP 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.

8. By the conduct described in the Findings of Fact, Respondent violated USPAP SR 1-3(a) by failing to identify and analyze the effect on use and value of existing land use regulations, reasonably probable modifications of such land use regulations, economic supply and demand, and the physical adaptability of the real estate, and market area trends.

9. By the conduct described in the Findings of Fact, Respondent violated USPAP SR 1-4 by failing to collect, verify, and analyze all information necessary for credible assignment results.

10. By the conduct described in the Findings of Fact, Respondent violated USPAP SR 1-4(a) by failing to analyze such comparable sales data as are available to indicate a value conclusion when a sales comparison approach is necessary for credible assignment results.

11. By the conduct described in the Findings of Fact, Respondent violated USPAP SR 2-2(b)(viii) by failing to summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions; exclusion of the sales comparison approach, costs approach or income approach must be explained.

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

ORDER

1. The attached Stipulation is accepted.
2. Respondent Ronald A. Fuhrmann is REPRIMANDED.
3. The Certified Residential Appraiser certificate of licensure and certification issued to Ronald A. Fuhrmann (license number 1692-9) is LIMITED as follows:
 - a. Within one hundred and twenty (120) days from the date of this Order, Respondent shall successfully complete 64 hours of education consisting of the following courses offered by the Appraisal Institute, or equivalent courses offered by a provider pre-approved by the Board's monitoring liaison, including taking and passing any examinations offered for the courses:
 - i. HMS1-ANS1 Home Measurement and the Power of Price-Per-Square Foot (8 hours),
 - ii. HMS2 – The Home Valuation Crisis-Public Records and Square Footage (6 hours),

- iii. Residential Site Valuation and Cost Approach (15 hours),
- iv. Residential Report Writing and Case Studies (15 hours),
- v. USPAP (15 hours) (Class must be taken in person in a classroom setting), and
- vi. Date Verification Methods (5 hours)

b. The courses listed above may be taken online or in person in a classroom setting, except the USPAP course identified above must be taken in person.

c. Respondent shall submit proof of successful completion of the ordered education in the form of verification from the institution providing the education to the Department Monitor at the address stated below. None of the education completed pursuant to this requirement may be used to satisfy any continuing education requirements that have been or may be instituted by the Board or the Department, and also may not be used in future attempts to upgrade a credential in Wisconsin.

d. This limitation shall be removed from Respondent's license after Respondent satisfies the Board or its designee that he has successfully completed all of the ordered education.

4. Within 90 days from the date of this Order, Respondent shall pay COSTS in this matter in the amount of \$616.00.

5. Proof of successful course completion and payment of costs (made payable to the Wisconsin Department of Safety and Professional Services) shall be sent by Respondent to the Department Monitor at the address below:

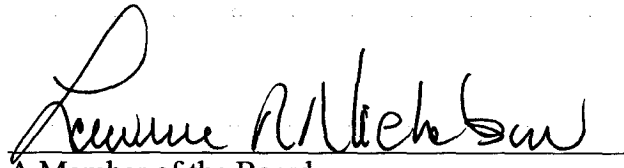
Department Monitor
Division of Legal Services and Compliance
Department of Safety and Professional Services
P.O. Box 7190, Madison, WI 53707-7190
Telephone (608) 267-3817; Fax (608) 266-2264
DSPSMonitoring@wisconsin.gov

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 certificate of licensure and certification. 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 as ordered or fails to comply with the ordered education as set forth above, Respondent's certificate of licensure and certification (no. 1692-9) may, in the discretion of the Board or its designee, be SUSPENDED, without further notice or hearing, until Respondent has complied with payment of the costs and completion of the education.

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

WISCONSIN REAL ESTATE APPRAISERS BOARD

by:


A Member of the Board

Date

2/11/2015

STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

RONALD A. FUHRMANN,
RESPONDENT.

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:
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STIPULATION

ORDER 0003714.

Division of Legal Services and Compliance Case No. 12 APP 081

Respondent Ronald A. Fuhrmann and the Division of Legal Services and Compliance,
Department of Safety and Professional Services stipulate as follows:

1. This Stipulation is entered into as a result of a pending investigation by the
Division of Legal Services and Compliance. Respondent consents to the resolution of this
investigation by Stipulation.

2. Respondent understands that by signing this Stipulation, Respondent voluntarily
and knowingly waives the following rights:

- the right to a hearing on the allegations against Respondent, at which time the State has
the burden of proving those allegations by a preponderance of the evidence;
- the right to confront and cross-examine the witnesses against Respondent;
- the right to call witnesses on Respondent's behalf and to compel their attendance by
subpoena;
- the right to testify on Respondent's own behalf;
- the right to file objections to any proposed decision and to present briefs or oral
arguments to the officials who are to render the final decision;
- the right to petition for rehearing; and
- all other applicable rights afforded to Respondent under the United States Constitution,
the Wisconsin Constitution, the Wisconsin Statutes, the Wisconsin Administrative Code,
and other provisions of state or federal law.

3. Respondent is aware of Respondent's right to seek legal representation and has
been provided an opportunity to obtain legal counsel before signing this Stipulation.

4. Respondent agrees to the adoption of the attached Final Decision and Order by
the Wisconsin Real Estate Appraisers Board (Board). The parties to the Stipulation consent to
the entry of the attached Final Decision and Order without further notice, pleading, appearance
or consent of the parties. Respondent waives all rights to any appeal of the Board's order, if
adopted in the form as attached.

5. If the terms of this Stipulation are not acceptable to the Board, the parties shall not
be bound by the contents of this Stipulation, and the matter shall then be returned to the Division

of Legal Services and Compliance for further proceedings. In the event that the Stipulation is not accepted by the Board, the parties agree not to contend that the Board has been prejudiced or biased in any manner by the consideration of this attempted resolution.

6. The parties to this Stipulation agree that the attorney or other agent for the Division of Legal Services and Compliance and any member of the Board ever assigned as an advisor in this investigation may appear before the Board in open or closed session, without the presence of Respondent, for purposes of speaking in support of this agreement and answering questions that any member of the Board may have in connection with deliberations on the Stipulation. Additionally, any such advisor may vote on whether the Board should accept this Stipulation and issue the attached Final Decision and Order.

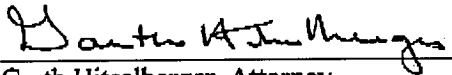
7. Respondent is informed that should the Board adopt this Stipulation, the Board's Final Decision and Order is a public record and will be published in accordance with standard Department procedure.

8. The Division of Legal Services and Compliance joins Respondent in recommending the Board adopt this Stipulation and issue the attached Final Decision and Order.



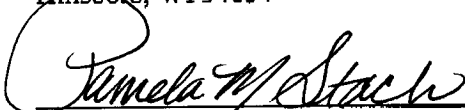
Ronald A. Fuhrmann, Respondent
121 Derrick Street
Kendall, WI 54638
License no. 1692-9

1/12/15
Date



Garth Hitselberger, Attorney
Hitselberger Law Office LLC
P. O Box 525
Hillsboro, WI 54634

1/12/2015
Date



Pamela M. Stach, Attorney
Division of Legal Services and Compliance
P.O. Box 7190
Madison, WI 53707-7190

1/12/15
Date