

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 :
ELIZABETH E. KAUFFMAN, : FINAL DECISION AND ORDER
RESPONDENT. :

0004170

Division of Legal Services and Compliance Case Nos. 13 APP 056 and 13 APP 058

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

Elizabeth E. Kauffman
1014 Vine Street
Union Grove, WI 53182

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 Elizabeth E. Kauffman (dob 11/20/1958) is certified in the State of Wisconsin as a Certified Residential Appraiser, having certificate of licensure and certification number 1711-9, first issued on October 3, 2008 and current through December 14, 2015. Elizabeth E. Kauffman's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is 1014 Vine Street, Union Grove, Wisconsin 53182.

13 APP 056

2. On April 25, 2013, Respondent performed an appraisal of property located at 385 Travellers Run, Burlington, Wisconsin.

3. On or about August 16, 2013, 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 (Division) Case Number 13 APP 056 was subsequently opened for investigation.

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

- a. Respondent's work file does not contain a copy of an earlier appraisal of the subject property submitted to the client dated April 3, 2013, research on the subject's neighborhood market or support for the conclusions in the 1004 MC form. [Record Keeping Rule.]
- b. Respondent failed to describe the support and rationale for her opinion of the highest and best use of the subject property. [SR 2-2(b)(ix).]
- c. In the sales comparison approach, Respondent made errors in reporting data for the comparable sales, selected inappropriate sales, including those which were not the same transaction type as the subject, failed to make adjustments and made inaccurate and inconsistent adjustments. [Competency Rule, SR 1-1(b), SR 1-4(a), SR 2-1(b).]
- d. In the cost approach, Respondent failed to utilize an acceptable appraisal method in developing her opinion of site value and failed to consider comparable land sales. [Competency Rule, SR 1-1(b), SR 1-4(b)(i).]

13 APP 058

5. On April 4, 2013, Respondent performed an appraisal of property located at 30329 Mountain Lane, Waterford, Wisconsin.

6. On or about August 16, 2013, the Department received a complaint alleging that the subject appraisal violated USPAP. Division Case Number 13 APP 058 was subsequently opened for investigation.

7. Respondent's appraisal was reviewed by the Division and it was determined that the appraisal and appraisal report violated the USPAP Rules and/or SR as follows:

- a. Respondent failed to provide commentary with regard to the purpose of a Special Assessment and failed to report annual dues for the subject property's subdivision association. [SR 1-2(e)(i), SR 2-2(b)(iii).]
- b. Respondent's comments failed to address all aspects of the neighborhood's market conditions. [Scope of Work Rule.]
- c. Respondent failed to report the site dimensions for the subject property. [SR 1-2(e)(i).]

- d. Respondent failed to describe the support and rationale for her opinion of the highest and best use of the subject property. [SR 2-2(b)(ix).]
- e. Respondent failed to describe features of the subject property, including of the walk-out basement areas. [SR 1-2(e)(i), SR 2-2(b)(iii).]
- f. Respondent utilized comparable sales that are superior to the subject, failed to report or incorrectly reported features of the comparable sales, including water frontage, quality of construction and major updates, and made inaccurate and inconsistent adjustments. [Competency Rule, Scope of Work Rule, SR 1-1(a,b), SR 1-4, SR 1-4(a).]

8. 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, Elizabeth E. Kauffman violated the USPAP Record Keeping Rule by failing to include in her work file true copies of any written reports, and all other data, information and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such documentation.

3. By the conduct described in the Findings of Fact, Elizabeth E. Kauffman violated the USPAP Competency Rule by failing to be competent to perform an assignment.

4. By the conduct described in the Findings of Fact, Elizabeth E. Kauffman 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, Elizabeth E. Kauffman violated USPAP SR 1-1(a,b,c) by:

- a. failing to be aware of, understand, and correctly employ those recognized methods and techniques that were necessary to produce a credible appraisal;
- b. committing a substantial error of omission or commission that significantly affected the appraisal; and

6. By the conduct described in the Findings of Fact, Elizabeth E. Kauffman violated USPAP SR 1-2(e)(i) by failing to identify the characteristics of the property that were relevant to the type and definition of value and intended use of the appraisal, including its location and physical, legal, and economic attributes.

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

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

9. By the conduct described in the Findings of Fact, Elizabeth E. Kauffman violated USPAP SR 1-4(b)(i) by failing to develop an opinion of site value by an appropriate appraisal method or technique when a cost approach was necessary for credible assignment results.

10. By the conduct described in the Findings of Fact, Elizabeth E. Kauffman violated USPAP SR 2-1(b) by failing to include in her report sufficient information to enable the intended users of the appraisal to understand the report properly.

11. By the conduct described in the Findings of Fact, Elizabeth E. Kauffman violated USPAP SR 2-2(b)(iii) by failing to summarize information sufficient to identify the real estate involved in the appraisal, including the physical and economic property characteristics relevant to the assignment.

12. By the conduct described in the Findings of Fact, Elizabeth E. Kauffman violated USPAP SR 2-2(b)(ix) by failing to summarize the support and rationale for the appraiser's opinion of the highest and best use of the subject property.

13. As a result of the above violations, 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 Elizabeth E. Kauffman is REPRIMANDED.
3. The Certified Residential Appraiser certificate of licensure and certification issued to Elizabeth E. Kauffman (number 1711-9) is LIMITED as follows:
 - a. Within 180 days of the date of this Order, Respondent shall successfully complete 47 hours of education consisting of the following courses offered by a provider pre-approved by the Board's monitoring liaison, including taking and passing any exam offered for the courses:
 - i. USPAP (15 hours);
 - ii. Residential Market Analysis and Highest and Best Use (15 hours);

- iii. Advanced Residential Applications and Case Studies (15 hours);
and,
 - iv. Introduction to Uniform Appraisal Dataset (U.A.D.) (2 hours).
- b. The courses listed above may be taken in person in a classroom setting or online.
 - c. Respondent shall submit proof of successful completion of the ordered education and passage of any examination 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 certificate of licensure and certification after satisfying the Board or its designee that Respondent has successfully completed all of the ordered education and passage of any examination.

4. Within 90 days from the date of this Order, Elizabeth E. Kauffman shall pay COSTS of this matter in the amount of \$842.00.

5. Proof of successful course completion, passage of any examination 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 and passage of any examination as set forth above, Respondent's certificate of licensure and certification (no.1711-9) 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, completion of the education and passage of any examination.

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

WISCONSIN REAL ESTATE APPRAISERS BOARD

by: Laura R. Nicholson
A Member of the Board

8/3/2015
Date

STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

ELIZABETH E. KAUFFMAN,
RESPONDENT.

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:
:
:
:

STIPULATION

0004170

Division of Legal Services and Compliance Case Nos. 13 APP 056 and 13 APP 058

Respondent Elizabeth E. Kauffman 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

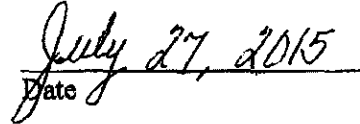
of Legal Services and Compliance for further proceedings. In the event that the Stipulation is not accepted by the Board, the parties agree not to contend that the Board has been prejudiced or biased in any manner by the consideration of this attempted resolution.

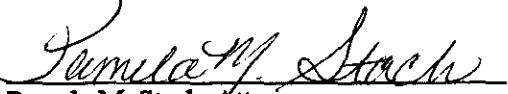
6. The parties to this Stipulation agree that the attorney or other agent for the Division of Legal Services and Compliance and any member of the Board ever assigned as an advisor in this investigation may appear before the Board in open or closed session, without the presence of Respondent, for purposes 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.

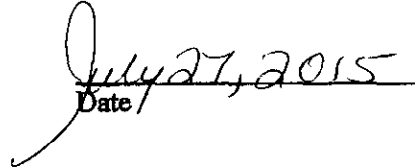
7. Respondent is informed that should the Board adopt this Stipulation, the Board's Final Decision and Order is a public record and will be published in accordance with standard Department procedure.

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.


Elizabeth E. Kauffman, Respondent
1014 Vine Street
Union Grove, WI 53182
Credential no. 1711-9


Date


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


Date