

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 :
 : FINAL DECISION AND ORDER
CRAIG W. KONOWALSKI, :
RESPONDENT. :

0004171

Division of Legal Services and Compliance Case No. 13 APP 077

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

Craig W. Konowalski
2653 S. Bay Shore Dr.
P.O. Box 1070
Sister Bay, WI 54234

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 Craig W. Konowalski (dob 6/1/1951) is certified in the State of Wisconsin as a Certified Residential Appraiser having certificate of licensure and certification number 763-9, first issued on November 11, 1993 and current through December 14, 2015. Craig W. Konowalski's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is 2653 S. Bay Shore Drive, P.O. Box 1070, Sister Bay, Wisconsin 54234.

2. On June 17, 2013, Respondent performed an appraisal of property located at 6658 Carnot Road East, Sturgeon Bay, WI 54235.

3. On or about August 19, 2013, the Department received a complaint alleging that Respondent undervalued the subject property. Division of Legal Services and Compliance Case Number 13 APP 077 was subsequently opened for investigation.

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

a. In the Sales Comparison Approach, Respondent did not properly adjust for location and site size and did not provide sufficient support for site size adjustments. [Record Keeping Rule, SR 1-4(a), SR 2-2(b)(viii).]

b. Respondent reported incorrect information about some of the comparable sales utilized and failed to report the contract date for the comparable sales. [SR 1-1(a,b,c).]

c. Respondent did not reconcile the data utilized in the Sales Comparison Approach. [SR 1-6(a).]

d. In the Cost Approach, Respondent stated he developed his opinion of site value using vacant land sales and the extraction method but did not provide any vacant land sales or extraction method calculations in his workfile. Respondent's workfile also did not include a summary of cost data utilized. [Competency Rule, Record Keeping Rule, SR 1-1(a,b), SR 2-1(b).]

5. Respondent neither admits nor denies the allegations. However, in the interest of resolving this matter, Respondent consents to the entry of this Final Decision 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, Craig W. Konowalski violated the USPAP Competency Rule by failing to perform the assignment competently.

3. By the conduct described in the Findings of Fact, Craig W. Konowalski violated the USPAP Record Keeping Rule by failing to include all data, information, and documentation necessary to support his opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other documentation.

4. By the conduct described in the Findings of Fact, Craig W. Konowalski 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 are necessary to produce a credible appraisal;

b. committing a substantial error of omission or commission that significantly affects an appraisal; and

c. 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.

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

6. By the conduct described in the Findings of Fact, Craig W. Konowalski violated USPAP SR 1-6(a) by failing to reconcile the quality and quantity of data available and analyzed within the approaches used in developing a real property appraisal.

7. By the conduct described in the Findings of Fact, Craig W. Konowalski violated SR 2-1(b) by failing to include in an appraisal report sufficient information to enable the intended users of the appraisal to understand the report properly.

8. By the conduct described in the Findings of Fact, Craig W. Konowalski violated 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.

9. As a result of the above violations, Craig W. Konowalski 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 Craig W. Konowalski is REPRIMANDED.

3. The Certified Residential Appraiser certificate of licensure and certification issued to Craig W. Konowalski (number 763-9) is LIMITED as follows:

a. Within 90 days of the date of this Order, Respondent shall successfully complete the 30-hour Sales Comparison and Income Approaches course. This course shall be offered by a provider pre-approved by the Board's monitoring liaison, and Respondent shall take and pass any exam offered for the course.

b. The course 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 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.

4. Within 90 days from the date of this Order, Craig W. Konowalski shall pay COSTS of this matter in the amount of \$600.

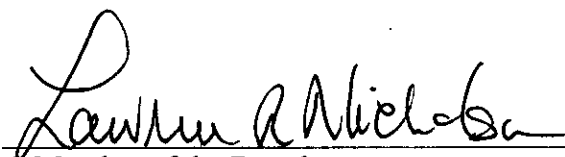
5. Proof of successful course completion and payment of costs (made payable to the Wisconsin Department of Safety and Professional Services) shall be sent by Respondent to the Department Monitor at the address below:

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. 763-9) 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

8/3/2015
Date

STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

CRAIG W. KONOWALSKI,
RESPONDENT.

:
:
:
:
:

STIPULATION

0004171

Division of Legal Services and Compliance Case No. 13 APP 077

Respondent Craig W. Konowalski 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. Respondent is represented by Attorney C. David Stellpflug.

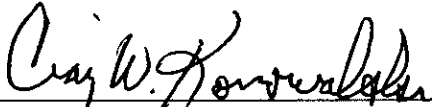
4. Respondent agrees to the adoption of the attached Final Decision and Order by the Wisconsin Real Estate Appraisers Board (Board). The parties to the Stipulation consent to the entry of the attached Final Decision and Order without further notice, pleading, appearance or consent of the parties. Respondent 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.

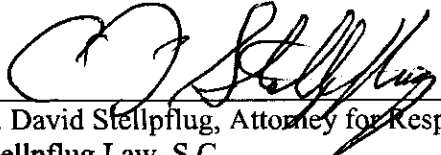
8. The Division of Legal Services and Compliance joins Respondent in recommending the Board adopt this Stipulation and issue the attached Final Decision and Order.



Craig W. Konowalski, Respondent
2653 S. Bay Shore Dr.
P.O. Box 1070
Sister Bay, WI 54234
Credential no. 763-9

6/19/15

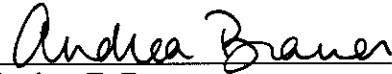
Date



C. David Stellpflug, Attorney for Respondent
Stellpflug Law, S.C.
P.O. Box 5637
De Pere, WI 54115

6/24/15

Date



Andrea E. Brauer, Attorney
Division of Legal Services and Compliance
P.O. Box 7190
Madison, WI 53707-7190

7/1/15

Date