

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

SCOTT P. REISKE,
RESPONDENT.

:
:
: FINAL DECISION AND ORDER
:
: 0004174

Division of Legal Services and Compliance Case Nos. 13 APP 061 and 13 APP 062

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

Scott P. Reiske
2614 S. Superior Street
Milwaukee, WI 53207

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 Scott P. Reiske (dob October 7, 1967) is certified in the State of Wisconsin as a Certified Residential Appraiser, having certificate of licensure and certification number 1872-9, first issued on May 21, 2012 and current through December 14, 2015. Scott P. Reiske's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is 2614 S. Superior Street, Milwaukee, Wisconsin 53207.

2. On September 5, 2012, Respondent signed a small residential income property appraisal report for an appraisal of property located at 6363-6365 N. 100th Street, Milwaukee, Wisconsin 53225.

3. On September 5, 2012, Respondent signed a small residential income property appraisal report for an appraisal of property located at 6300-6302 N. 100th Street, Milwaukee, Wisconsin 53225.

4. On or about August 16, 2013, the Department received two complaints alleging that the above noted appraisals violated the Uniform Standards of Professional Appraisal Practice (USPAP). Division of Legal Services and Compliance Case Numbers 13 APP 061 and 13 APP 062 were subsequently opened for investigation.

5. Respondent's appraisals were reviewed by the Division of Legal Services and Compliance, and it was determined that the appraisals and appraisal reports violated USPAP Rules and/or Standards Rules (SR) as follows:

a. In the comparable rental data section of both reports, Respondent improperly characterized as rental property a property that is not actually rented (Comparable Rental #1). Further, Respondent reported data for Comparable Rental #2 that was not available from either of his reported data sources and failed to disclose whether he had estimated the rental data. [Conduct Section of the Ethics Rule, SR 1-1(a), SR 1-4(c)(i).]

b. In both reports, Respondent reported that foreclosure sales were not a factor in the market, although nine of the eleven most recent sales within a half mile of the subject properties had been foreclosure sales. [SR 1-1(a).]

c. In both reports, Respondent improperly utilized MLS photos rather than original photos of the comparable sales. [Scope of Work Rule.]

d. In the Sales Comparison Approach for the 6363-6365 N. 100th Street property, Respondent made inconsistent adjustments by adjusting one of the comparable sales for having a two-car garage but making no adjustments to three other comparable sales which also had two-car garages. [SR 1-1(a), SR 1-4(a).]

e. In the Sales Comparison Approach for the 6300-6302 N. 100th Street property, Respondent failed to adjust for the fact that the subject property, which is a side-by-side townhouse, is superior to multiple comparable sales utilized, which were duplexes or two family flats. Respondent further failed to make adjustments for significant differences in above grade living area. [SR 1-1(a), SR 1-4(a).]

6. 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, Scott P. Reiske violated the Conduct Section of the USPAP Ethics Rule by performing an assignment in a grossly negligent manner.

3. By the conduct described in the Findings of Fact, Scott P. Reiske violated the USPAP Scope of Work Rule by failing to determine and perform the scope of work necessary to develop credible assignment results.

4. By the conduct described in the Findings of Fact, Scott P. Reiske violated USPAP SR 1-1(a) by failing to be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal.

5. By the conduct described in the Findings of Fact, Scott P. Reiske 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.

6. By the conduct described in the Findings of Fact, Scott P. Reiske violated USPAP SR 1-4(c)(i) by failing to analyze such comparable rental data as were available and/or the potential earnings capacity of the property to estimate the gross income potential of the property when an income approach was necessary for credible assignment results.

7. As a result of the above violations, Scott P. Reiske 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 Scott P. Reiske is REPRIMANDED.

3. The Certified Residential Appraiser certificate of licensure and certification issued to Scott P. Reiske (number 1872-9) is LIMITED as follows:

a. Within 90 days of the date of this Order, Respondent shall successfully complete the 30-hour Residential Sales Comparison and Income Approach course. This course shall be offered by a provider pre-approved by the Board's monitoring liaison, including taking and passing 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, Scott P. Reiske shall pay COSTS of this matter in the amount of \$760.

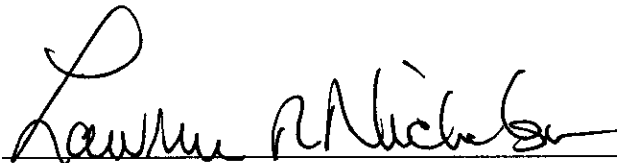
5. Proof of successful course completion and payment of costs (made payable to the Wisconsin Department of Safety and Professional Services) shall be sent by Respondent to the Department Monitor at the address below:

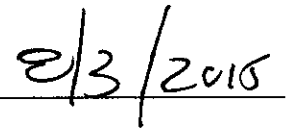
Department Monitor
Division of Legal Services and Compliance
Department of Safety and Professional Services
P.O. Box 7190, Madison, WI 53707-7190
Telephone (608) 267-3817; Fax (608) 266-2264
DSPSMonitoring@wisconsin.gov

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 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 costs as ordered or fails to comply with the ordered education as set forth above, Respondent's certificate of licensure and certification (no. 1872-9) may, in the discretion of the Board or its designee, be SUSPENDED, without further notice or hearing, until Respondent has complied with payment of 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

STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

SCOTT P. REISKE,
RESPONDENT.

:
:
:
:
:

STIPULATION

0004174

Division of Legal Services and Compliance Case Nos. 13 APP 061 and 13 APP 062

Respondent Scott P. Reiske 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.

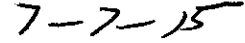
6. The parties to this Stipulation agree that the attorney or other agent for the Division of Legal Services and Compliance and any member of the Board ever assigned as an advisor in this investigation may appear before the Board in open or closed session, without the presence of Respondent, for purposes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

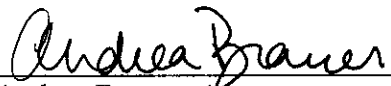
8. The Division of Legal Services and Compliance joins Respondent in recommending the Board adopt this Stipulation and issue the attached Final Decision and Order.




Scott P. Reiske, Respondent
2614 S. Superior Street
Milwaukee, WI 53207
Certificate of licensure and certification no. 1872-9



Date



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



Date