

## WISCONSIN DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES



### Wisconsin Department of Safety and Professional Services Access to the Public Records of the Reports of Decisions

This Reports of Decisions document was retrieved from the Wisconsin Department of Safety and Professional Services website. These records are open to public view under Wisconsin's Open Records law, sections 19.31-19.39 Wisconsin Statutes.

#### Please read this agreement prior to viewing the Decision:

- The Reports of Decisions is designed to contain copies of all orders issued by credentialing authorities within the Department of Safety and Professional Services from November, 1998 to the present. In addition, many but not all orders for the time period between 1977 and November, 1998 are posted. Not all orders issued by a credentialing authority constitute a formal disciplinary action.
- Reports of Decisions contains information as it exists at a specific point in time in the Department of Safety and Professional Services data base. Because this data base changes constantly, the Department is not responsible for subsequent entries that update, correct or delete data. The Department is not responsible for notifying prior requesters of updates, modifications, corrections or deletions. All users have the responsibility to determine whether information obtained from this site is still accurate, current and complete.
- There may be discrepancies between the online copies and the original document. Original documents should be consulted as the definitive representation of the order's content. Copies of original orders may be obtained by mailing requests to the Department of Safety and Professional Services, PO Box 8935, Madison, WI 53708-8935. The Department charges copying fees. *All requests must cite the case number, the date of the order, and respondent's name* as it appears on the order.
- Reported decisions may have an appeal pending, and discipline may be stayed during the appeal. Information about the current status of a credential issued by the Department of Safety and Professional Services is shown on the Department's Web Site under "License Lookup."

The status of an appeal may be found on court access websites at:

<http://ccap.courts.state.wi.us/InternetCourtAccess> and <http://www.courts.state.wi.us/wscca>

- Records not open to public inspection by statute are not contained on this website.

**By viewing this document, you have read the above and agree to the use of the Reports of Decisions subject to the above terms, and that you understand the limitations of this on-line database.**

**Correcting information on the DSPS website:** An individual who believes that information on the website is inaccurate may contact [DSPS@wisconsin.gov](mailto:DSPS@wisconsin.gov)

STATE OF WISCONSIN  
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF DISCIPLINARY  
PROCEEDINGS AGAINST

DARRELL L. BACHOFEN,  
RESPONDENT.

FINAL DECISION AND ORDER

**ORDER 000856**

Division of Legal Services and Compliance Case No. 21 APP 029

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

Darrell L. Bachofen  
Columbus, WI 53925

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 Darrell L. Bachofen (Birth Year 1963) is licensed by the State of Wisconsin as a licensed appraiser, having certificate of licensure number 1517-4, first issued on January 29, 2003 and current through December 14, 2023. Respondent's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is in Columbus, Wisconsin 53925.

2. On June 21, 2021, the Department received a complaint alleging that Respondent had performed an inadequate appraisal. The Division of Legal Services and Compliance (DLSC) subsequently opened Case Number 21 APP 029 for investigation.

3. On March 9, 2020, Respondent performed appraisals of properties located at W2906 Grant Street, Village of Doylestown, WI 53960, and N4300 Domes Rd (Lots #1, #2, and #3), Village of Doylestown, WI 53960.

4. Respondent's appraisal of W2906 Grant Street, Village of Doylestown, WI 53960 was reviewed by the DLSC and was found to be deficient in the following ways:

- a. Respondent identifies within the appraisal report the names of two different law firms as the client for whom the report was prepared. One of which represented the Complainant, and the other his wife, in a divorce proceeding. Additionally, the appraisal order form in the workfile does not clearly state who the client is [Uniform Standards of Professional Practice (USPAP) Standard Rules (SR) 2-1(b), Record Keeping Rule].
- b. In the Market Area Description section of the report, the report form asks for comments on the market area, boundaries, description, and market conditions, including support for the characteristics and trends identified. Respondent refers to an addendum which reports his opinion of what the subject's neighborhood boundaries are, however he does not provide support for this opinion. Nor does he describe the neighborhood or market conditions [SR 2-1(b)].
- c. Respondent's definition of market value found in the report certifications section included reasonable exposure time as a factor. Respondent failed to develop in his report what his opinion of reasonable exposure time is for the subject property when determining market value [SR 1-2(c)].

5. Respondent's appraisal of N4300 Domes Rd (Lots #1, #2, and #3), Village of Doylestown, WI 53960 was reviewed by the DLSC and was found to be deficient in the following ways:

- a. Respondent reported his appraisal on a form that is used for mortgage lending purposes, and that included preprinted text indicating that the appraisal was being done for the purposes of mortgage financing. The appraisal was not commissioned for mortgage financing purposes, but for use in a divorce proceeding [SR 2-1(a)].
- b. Respondent identifies in different sections of the appraisal report the names of two different law firms as the client for whom the report was prepared. One of which represented the Complainant, and the other his wife, in a divorce proceeding. Additionally, the appraisal order form in the workfile does not clearly state who the client is [Record Keeping Rule, SR 2-1(b)].
- c. Respondent's appraisal report included preprinted language indicating that he had inspected the subject property, however it does not describe the extent of his inspection of the property, which consisted of 35 acres of land, and several structures [Scope of Work Rule].
- d. Respondent failed to adequately research the zoning of the subject property for his consideration in determining value [Scope of Work Rule, SR 1-4(a)].

- e. In the Market Data Analysis section of the report, Respondent utilized comparable sales that were zoned in a way that would have allowed residential structures to be constructed throughout, whereas the subject property is not zoned to allow residential structures throughout. Respondent failed to make an adjustment in his report to consider that the highest and best use of the comparable properties would have been different than the subject property due to the zoning [SR 1-4(a)].
- f. Respondent did not employ the Income Approach in developing his opinion of value. Considering the property was zoned to allow for crop production throughout, Respondent should have included an analysis of the potential income from renting the land out to farmers [Competency Rule, SR 1-1(a)].
- g. Respondent's definition of market value found in the report certifications section included reasonable exposure time as a factor. Respondent failed to develop in his report what his opinion of reasonable exposure time is for the subject property when determining market value [SR 1-2(c)].

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

#### CONCLUSIONS OF LAW

- 1. The 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 Uniform Standards of Professional Appraisal Practice (USPAP) Record Keeping Rule by failing to include in Respondent's workfile all other data, information, and documentation necessary to support Respondent's opinions and conclusions and to show compliance with USPAP.
- 3. By the conduct described in the Findings of Fact, Respondent violated the USPAP Competency Rule by failing to determine, prior to agreeing to perform an assignment, that he can perform the assignment competently, or be able to acquire competency.
- 4. By the conduct described in the Findings of Fact, Respondent violated the USPAP Scope of Work Rule by failing to gather and analyze information about the assignment elements that are necessary to properly identify the appraisal problem to be solved.
- 5. By the conduct described in the Findings of Fact, Respondent violated Standards Rule (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.
- 6. By the conduct described in the Findings of Fact, Respondent violated SR 1-2(c) by failing to properly identify the type and definition of value.

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

8. By the conduct described in the Findings of Fact, Respondent violated SR 2-1(a) and (b) by:

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

9. 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)(c) and (i).

#### ORDER

1. The attached Stipulation is accepted.
2. Respondent Darrell L. Bachofen is REPRIMANDED.
3. Respondent Darrell L. Bachofen's licensed appraiser certificate of licensure (no. 1517-4) is LIMITED as follows:

- a. Within sixty (60) days of the date of this Order, Respondent shall successfully complete the following remedial education courses from a provider pre-approved by the Board or its designee, including taking and passing any exam(s) offered for the course(s):
  - i. National USPAP course (15 hours) (must be taken online).
  - ii. Residential Appraiser Site Valuation and Cost Approach (15 Hours).
  - iii. Using Appraisal Report Templates Responsibly (3 Hours).
  - iv. Divorce and Estate Appraisals: Elements of Non-Lender Work (4 Hours).
  - v. That's a Violation (4 Hours).
- b. 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.
- c. The education completed pursuant to this Order may not be used to satisfy any other continuing education requirements with the Board.

4. Respondent Darrell L. Bachofen's licensed appraiser certificate of licensure (no. 1517-4) is further LIMITED as follows:

- a. Respondent shall be prohibited from completing appraisals on agricultural properties.
- b. Respondent may petition the Board to remove this limitation at a later date. The petition shall include evidence that Respondent has completed education sufficient to obtain competency in the performance of agricultural appraisals.
- c. The Board may grant or deny any petition, in its discretion, or may modify this Order as it sees fit. Denial of a petition in whole or in part shall not be considered a denial of a license within the meaning of Wis. Stat. § 227.01(3)(a), and Respondent shall not have a right to any further hearings or proceedings on the denial.

5. Within ninety (90) days from the date of this Order, Respondent Darrell L. Bachofen shall pay the COSTS of this matter in the amount of \$2,345.

6. All submissions, including requests for pre-approval, proof of successful course completion, petitions, 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) 266-2112; Fax (608) 266-2264  
[DSPSMonitoring@wisconsin.gov](mailto:DSPSMonitoring@wisconsin.gov)

Submissions may also be made online at: <https://dspsmonitoring.wi.gov/>

7. In the event Respondent violates any term of this Order, Respondent's certificate of licensure (number 1517-4), or Respondent's right to renew his certificate of licensure, may, in the discretion of the Board or its designee, be SUSPENDED, without further notice or hearing, until Respondent has complied with the terms of the Order. The Board may, in addition and/or in the alternative, refer any violation of this Order to the Division of Legal Services and Compliance for further investigation and action.

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

WISCONSIN REAL ESTATE APPRAISERS BOARD

by:

*David P. Figanski*

A Member of the Board

5/23/2023

Date

STATE OF WISCONSIN  
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF DISCIPLINARY  
PROCEEDINGS AGAINST

DARRELL L. BACHOFEN,  
RESPONDENT.

STIPULATION

ORDER 0008564

Division of Legal Services and Compliance Case No. 21 APP 029

Respondent Darrell L. Bachofen 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 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

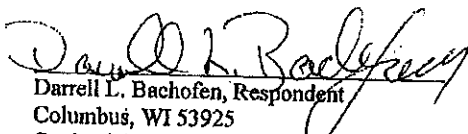


not accepted by the Board, the parties agree not to contend that the Board has been prejudiced or biased in any manner by the consideration of this attempted resolution.

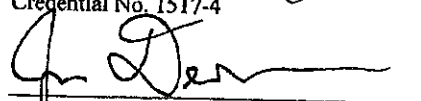
6. The parties to this Stipulation agree that the attorney or other agent for the Division of Legal Services and Compliance and any member of the Board ever assigned as an advisor in this investigation may appear before the Board in open or closed session, without the presence of Respondent, for purposes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

  
Darrell L. Bachofen, Respondent  
Columbus, WI 53925  
Credential No. 1517-4

2-15-23  
Date

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

2-16-23  
Date