

WISCONSIN DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES



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STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF THE CERTIFICATE OF :
: FINAL DECISION AND ORDER
MARGARET M. SCHROEDER, : FOR REMEDIAL EDUCATION
LICENSEE. :
ORDER 0008566

Division of Legal Services and Compliance Case No. 21 APP 060 and 22 APP 038

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

Margaret M. Schroeder
Clintonville, WI 54929

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. Licensee Margaret M. Schroeder (Birth Year 1955) is certified by the State of Wisconsin as a certified residential appraiser, having certificate of licensure and certification number 1777-9, first issued on December 17, 2009 and current through December 14, 2023. Licensee's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is in Clintonville, Wisconsin 54929.

21 APP 060

2. On October 21, 2021, the Department received a complaint alleging that Licensee performed an inadequate appraisal. The Division of Legal Services and Compliance (DLSC) subsequently opened Case Number 21 APP 060 for investigation.

3. On August 24, 2021 or September 1, 2021, Licensee performed an appraisal of a property located at E3211 Phelps Road, Iola, Wisconsin 54945.

4. Licensee's appraisal was reviewed by the DLSC and was found to be deficient in the following ways:

- a. Licensee reported the effective date of the appraisal to be September 1, 2021. However, at the top of page 4 of the report, Licensee stated that she viewed the subject property on August 24, 2021. Either the comment about the inspection date is wrong or the report of the effective date is wrong. [Uniform Standards of Professional Appraisal Practice (USPAP) Standards Rule (SR) 1-1(c) and SR 2-1(a)]
- b. In the Reconciliation section and in the Additional Comments on page 4 of the report, Licensee stated that the cost approach was not used, but Licensee did complete the Cost Approach. [SR 1-1(c), SR 2-1]
- c. In the Cost Approach Section of the report, Licensee provided an opinion site value that was derived from the sales comparison approach, but did not provide a summary of the data and analysis that was performed to develop the opinion of site value. [SR 2-2(a)(x)(1) and (5)]
- d. Licensee failed to provide an analysis of a prior sale within 36 months of the effective date of the appraisal. The subject previously sold in 2019. Licensee noted this sale but did not provide an analysis of it. Licensee, in fact, completed the appraisal for the sale and therefore would have had the details of this sale to easily conduct this required analysis. [SR 1-5(b) and SR 2-2(a)(x)(3)]
- e. In the Neighborhood section of the report and on the market condition addendum, Form 1004MC, Licensee reported that the market conditions were "stable." However, the data on Form 1004MC supported an increasing market, with median sales price increasing, median comparable sales days on market decreasing, and median sale price as a percentage of list price increasing to above 100%. In the Sales Comparison Approach section of the report, sales #1, 2, and 3 closed almost 11 to 12 months prior and had no market conditions adjustments. Sale #4 was only 2 months prior and had the highest adjusted sale by far, suggesting Licensee should have adjusted for market conditions. [SR 1-4(a) and 2-2(a)(x)(5)]
- f. In the Sales Comparison Approach section of the report, Licensee made the same adjustment for a property with a basement that was 250 square feet larger as she did for a property with a basement that was 1000 square feet larger. Licensee also made inadequate adjustments for a basement that had a rec room and two other rooms and a full bath, and adjustments for another basement with a full bath. Also, Licensee's workfile did not have support for any of the adjustments. [Record Keeping Rule, SR 1-4(a) and 2-2(a)(x)(5)]

- g. In the Site Section of the report, Licensee provided an opinion of highest and best use, but she did not summarize the support and rationale for that opinion in the report. [SR 2-2(a)(xii)]

22 APP 038

5. On September 2, 2022, the Department received a complaint alleging that Licensee performed an inadequate appraisal. DLSC subsequently opened Case Number 22 APP 038 for investigation.

6. On May 11, 2021, Licensee performed an appraisal of a property located at 1008 Appleton Street, New London, Wisconsin 54961-1602.

7. Licensee's appraisal was reviewed by the DLSC and was found to be deficient in the following ways:

- a. Licensee reported the effective date of the appraisal to be May 18, 2021. However, on page 3 of the appraisal report, Licensee reported an inspection was done on May 11, 2021. [SR 1-1(c), SR 1-2(d), and SR 2-1(a)]
- b. In the Neighborhood Section of the report, Licensee reported a 255-square-mile area that included several cities and villages, but was primarily rural, vacant, and agricultural land. Licensee incorrectly reported this neighborhood to be urban when it is mostly rural. Also, Licensee incorrectly accounted for 100% of the land being used – 90% as one-unit, 5% as 2-4 unit, and 5% as commercial. However, Licensee also checked the box for the neighborhood being 25-75% built up. [SR 1-1(c), 2-1(a) and (b)]
- c. In the Sales Comparison Approach section of the report, Licensee used comparables that were not appropriate due to their location. Licensee used comparables that were outside of the City of New London, some more than 11 miles away and nearer the City of Appleton, which is a much larger city that offers more services and employment. Licensee only used one comparable sale in the City of New London. However, an MLS search of similar homes in New London (ranch-style homes on lots less than 1 acre, between 1200 and 1800 square feet of above grade living area) that sold during the 12 months prior to the effective date of the report found 17 total sales. [SR 1-4(a)]

8. Licensee agrees that failure to submit proof of successful completion of the ordered education as set forth below shall constitute conduct which reflects adversely on her fitness to practice as a real estate appraiser as set forth in Wis. Admin. Code § SPS 86.01(13).

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

CONCLUSIONS OF LAW

1. The Real Estate Appraisers Board is authorized to enter into the attached Stipulation pursuant to Wis. Stat. §§ 227.44(5) and 458.26.

ORDER

1. The attached Stipulation is accepted.
2. Within 90 days of the date of this Order, Licensee shall, at her own expense, take and successfully complete 41 hours of education as follows:
 - a. National USPAP course (15 hours) (must be taken online).
 - b. Residential Report Writing and Case Studies (15 hours).
 - c. Appraiser Self-Protection: Documentation and Record Keeping (4 hours).
 - d. The Sales Comparison Approach (7 hours).
 - e. Each course attended in satisfaction of this Order must be offered by a provider pre-approved by the Board or its designee. Licensee shall be responsible for locating course(s) satisfactory to the Board and for obtaining the required approval of the course(s) from the Board or its designee. Licensee must take and pass any exam(s) offered for the course(s).
 - f. Licensee shall submit proof of successful completion of the 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 Department and may not be used in any future attempt to upgrade a credential.
3. Requests for course approval and proof of successful course completion shall be sent by Licensee 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

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

4. This Order does not constitute discipline.

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

WISCONSIN REAL ESTATE APPRAISERS BOARD

by: 
A Member of the Board

5/23/2023
Date

STATE OF WISCONSIN
BEFORE THE REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF THE CERTIFICATE OF :
MARGARET M. SCHROEDER, :
LICENSEE. :

STIPULATION

ORDER 0008566

Division of Legal Services and Compliance Case No. 21 APP 060 and 22 APP 038

Licensee Margaret M. Schroeder 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. Licensee consents to the resolution of this
investigation by Stipulation.

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

- the right to a hearing on the allegations against Licensee, 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 Licensee;
- the right to call witnesses on Licensee's behalf and to compel their attendance by
subpoena;
- the right to testify on Licensee'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 Licensee under the United States Constitution, the
Wisconsin Constitution, the Wisconsin Statutes, the Wisconsin Administrative Code, and
other provisions of state or federal law.

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

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

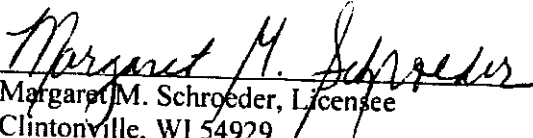
5. If the terms of this Stipulation are not acceptable to the Board, the parties shall not
be bound by the contents of this Stipulation, and the matter shall then be returned to the Division
of Legal Services and Compliance for further proceedings. In the event that the Stipulation is

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 Licensee, 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 for Remedial Education.

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

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


Margaret M. Schroeder, Licensee
Clintonville, WI 54929
Credential No. 1777-9

5/2/2023
Date


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

05/03/2023
Date