

**BEFORE THE REAL ESTATE APPRAISER EXAMINING BOARD  
OF THE STATE OF IOWA**

<b>IN THE MATTER OF:</b>	)	Case No. 06-38
<b>DEBRA PALIK</b>	)	
CR01741	)	
<b>Respondent.</b>	)	<b>CONSENT ORDER</b>

The Iowa Real Estate Appraiser Examining Board (Board) and Debra Palik (Respondent) enter into this Consent Order (Order), pursuant to Iowa Code section 17A.10 (2007) and 193 Iowa Administrative Code 7.42:

1. The Board has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 543D, and 272C (2007).
2. Respondent was issued Iowa certified residential real estate appraiser certificate number CR01741 on January 25, 1996. The registration is active and will next expire on June 30, 2007.
3. The Board filed its Notice of Hearing and Statement of Charges on January 16, 2007. Hearing is currently set for April 12, 2007.
4. The Board charged Respondent with:
  - a. repeatedly failing to adhere to appraisal standards, including but not limited to the ethics and competence rules of the Uniform Standards of Professional Appraisal Practice, in the development, preparation, and communication of multiple appraisals; failure to exercise reasonable diligence in the development, preparation, and communication of multiple appraisals; negligence or incompetence in the development, preparation, and communication of multiple appraisals; improper advocacy, in violation of Iowa Code sections 272C.10(3), 543D.17(1)(d), (e), and (f), and 543D.18(1), (2) (2005), and 193F Iowa Administrative Code sections 7.1, 7.2(2), (5), and (8); and,
  - b. practices harmful or detrimental to the public and repeatedly demonstrating, through lack of education, negligence, carelessness or omissions, or intentional acts, a lack of qualifications to assure the public a high standard of professional care in violation of Iowa Code sections 272C.3(2)(b), and 272C.10(3).
5. Respondent has a right to a hearing on the charges, but waives her right to hearing and all attendant rights by freely and voluntarily entering into this Order. This Order is the final agency order in the contested case.
6. Respondent agrees the State's counsel may present this Order to the Board and may have ex parte communications with the Board while presenting it.

7. This Order shall be part of the permanent record of Respondent and shall be considered by the Board in determining the nature and severity of any disciplinary action to be imposed in the event of any future violations.

8. This Order, the Statement of Charges, and the Statement of Matters Asserted are public records available for inspection and copying in accordance with the requirements of Iowa Code chapter 22 (2007).

9. Failure to comply with the provisions of this Order shall be grounds for disciplinary action pursuant to Iowa Code section 272C.3(2)(a) (2007). However, no action may be taken against Respondent for violations of these provisions without a hearing, or waiver of hearing.

10. This Order is subject to approval of the Board: (a) If the Board fails to approve this Order, it shall be of no force or effect on either party, and it shall not be admissible for any purpose in further proceedings in this matter; and (b) If the Board approves this Order, it shall fully dispose of all issues in this case.

**IT IS THEREFORE ORDERED:**

A. **Expiration.** Respondent's certificate as a residential real estate appraiser is scheduled to expire on June 30, 2007, if not renewed. Respondent agrees to allow her certificate to expire. Respondent shall accordingly not be authorized to perform appraisal services as an Iowa certified real estate appraiser from and after July 1, 2007.

B. **Reinstatement.** Respondent shall not apply to reinstate her expired certificate until she can demonstrate, in addition to all administrative conditions of reinstatement (e.g. continuing education, fees, etc.), the following. When seeking reinstatement, Respondent shall not be subject to the educational and other standards applicable to those first seeking certification on or after January 1, 2008, but she will need to comply with Board rules on all continuing education required as a condition of reinstatement.

1. Completion of the following pre-approved, classroom courses:
  - a. 15-hour tested USPAP course.
  - b. a course of at least 30 hours on the three approaches to value.
  - c. a report writing course of at least 7 hours.
2. Retention of a pre-approved supervisory appraiser who shall directly supervise all appraisal services Respondent may perform as a certified real estate appraiser. The supervisor must be authorized to supervise under the terms of 193F Iowa Administrative Code 15.3. The proposed supervisor shall submit a written plan of supervision and may be requested to provide the Board with sample appraisals prior to approval.

C. **Probation.** For a period of at least the first six months following reinstatement, Respondent shall be on probationary status. While on probation, the following terms shall apply:

1. **Total supervision.** Respondent shall not perform any appraisal services as a certified appraiser except under the direct supervision of her pre-approved supervisory appraiser.

2. **Monthly logs and desk review.** Respondent shall provide monthly logs, signed by her supervising appraiser, by the 10<sup>th</sup> day of each month for all appraisals performed in the prior month. The Board shall periodically select appraisal reports for Respondent to submit, at her expense, to a desk reviewer identified by the Board. The desk reviewer shall perform a Standard Three review and provide a written review report to Respondent, her supervising appraiser and the Board. The Respondent shall provide the desk reviewer and the Board with her complete work file on all appraisals selected for review. The Respondent shall also submit to the Board any appraisal report that is reissued as a result of comments received in the desk review process.

3. **Desk review process.** The Board shall select one or two appraisals a month for desk review for as long as Respondent's certificate is on probationary status. Respondent shall submit to the Board and the Board's identified desk reviewer the appraisal(s) selected from Respondent's log with her complete work file(s), within 5 business days of the Board's request by email or fax. The fee for each desk review shall not exceed \$175.00.

4. **Applying for release from probation.** Respondent may apply to the Board for release from probation, using the procedures required by 193 Iowa Administrative Code 7.38, following six months under probationary status as long as she has within that six month period completed at least 20 appraisals under the supervision of her supervisory appraiser and has submitted at least 6 appraisals to desk review.

5. **Process for release from probation.** If the desk review comments and appraisals do not reveal significant USPAP violations and Respondent has complied with all terms of this Consent Order, the Board shall release Respondent from probation. The Board intends the reviews and the supervisory arrangement to be educational and shall accordingly give most weight to the latter reviews and appraisals. The Board shall determine whether to release Respondent from probation at the next Board meeting scheduled after the Board's receipt of all information required under this Consent Order. If the next regularly scheduled Board meeting is more than 45 days following the Board's receipt of all required information, the Board, upon Respondent's written request and upon verification that all terms of the Consent Order have been complied with, shall schedule a telephone meeting so that the initial decision whether to remove Respondent from probation can be made within 45 days following the Board's receipt of all required information.

6. **Continuation of probation.** If the desk review comments and/or appraisals

opportunity to request hearing on such additional probationary terms.

7. Changing supervisors restricted. Respondent may not change her supervising appraiser without prior written approval by the Board.

8. Settlement does not preclude new charges. This settlement shall not preclude the Board from filing additional changes if one or more of the appraisals submitted for desk review or other appraisals coming to the Board's attention demonstrate probable cause to take such an action. Respondent agrees Board review of desk review reports or appraisals shall not constitute "personal investigation" or otherwise disqualify a Board member from acting as a presiding officer in any subsequent contested case.

9. Practice restrictions. Until released from the desk review process, Respondent agrees she shall not act as a review appraiser and shall not co-sign appraisals with any other appraiser, except the supervising appraiser pre-approved by the Board. Respondent shall not supervise the work product of an associate appraiser or unlicensed appraiser until released from probation.

10. Status conference. If Respondent has not applied for release of probation by the conclusion of her first six months on probation, the Board may schedule a status conference for Respondent and her supervising appraiser to appear before the Board or the Board's disciplinary committee to review Respondent's progress. The Board may, as a result of the information supplied at the status conference, terminate the probation or propose amended probationary terms. The Board may only modify the terms of probation upon Respondent's concurrence or following opportunity for hearing.

**AGREED AND ACCEPTED:**

**The Respondent**

[Redacted Signature]

Debra Palik

03/22/07  
Date

**The Iowa Real Estate Appraiser Examining Board**

[Redacted Signature]

Michael Lara, Chair

4.12.2007  
Date