

FILED 1/13/2020 (DATE)

REAP

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

Signature, Executive Officer

B March

Signature, Executive Officer

IN THE MATTER OF:

Case No. 19-11

Stanley Wolkins,  
CG01938

NOTICE OF HEARING AND  
STATEMENT OF CHARGES IN A  
DISCIPLINARY CASE

RESPONDENT

The Iowa Real Estate Appraiser Examining Board (“Board”) issues this Notice of Hearing and Statement of Charges pursuant to Iowa Code sections 17A.12(2), 17A.18(3), and 543D.17 (2020) and Iowa Administrative Code chapters 193F—8 and 20. Respondent is a certified general real estate appraiser in Iowa. He was issued Certificate No. CG01938 on September 19, 1996. Certificate No. CG01938 is currently valid and scheduled to expire on June 30, 2021. The Board has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 272C, and 543D.

**A. TIME, PLACE, AND NATURE OF HEARING AND  
HEARING PROCEDURES**

1. **Hearing.** A disciplinary contested case hearing will be held before the Board on the **26th day of March, 2020, at 9:30 o’clock, a.m.**, at 200 E. Grand, Ste. 350, Des Moines, IA 50309.
2. **Answer.** Within 20 days of the date you are served with this Notice you must file an answer to the charges as required by Iowa Administrative Code rule 193F—20.9.
3. **Prehearing Conference.** A prehearing conference will be held by telephone on the **12th day of March, 2020, at 9:00 o’clock, a.m.**, before an Administrative Law Judge (“ALJ”) from the Iowa Department of Inspections and Appeals (“DIA”). You are responsible for notifying the Board office of the telephone number at which you or your counsel may be reached. Board rules on prehearing conferences may be found at Iowa Administrative Code rule 193F—20.21.
4. **Presiding Officer.** The full Board shall serve as presiding officer at hearing, pursuant to Iowa Code section 272C.6(1) and Iowa Administrative Code rule 193F—20.10(1). The Board may request that an ALJ make initial rulings on prehearing matters and be present to assist and advise the Board at hearing as described in Iowa Administrative Code rule 193F—20.10(4).
5. **Hearing Procedures.** Board rules on hearing procedures may be found at Iowa Administrative Code chapters 193F—8 and 20. You have the right to respond to the charges, produce evidence on your behalf, cross-examine witnesses, and examine any documents introduced at hearing. Consult Iowa Administrative Code rule 193F—20.22 if you need to

request an alternative time or date. The hearing may be open to the public or closed to the public in Respondent's discretion. Iowa Code § 272C.6(1). If Respondent wishes for the hearing to be closed to the public, Respondent or Respondent's attorney must request in writing that the hearing be closed to the public. Iowa Admin. Code r. 193F—20.25(2).

6. **Default.** If you fail to appear at hearing, the Board may enter a default decision or proceed with the hearing and render a decision in your absence in accordance with Iowa Code section 17A.12(3) and Iowa Administrative Code rule 193F—20.27.

7. **Prosecution.** Licensee disciplinary cases are prosecuted by an Assistant Attorney General acting on behalf of the public interest—the State. Copies of all pleadings shall be filed with the Board, with copies mailed to:

Luke Dawson  
Assistant Attorney General  
Iowa Attorney General's Office  
2<sup>nd</sup> Floor, Hoover State Office Building  
Des Moines, Iowa, 50319.

Mr. Dawson may also be reached by phone at (515) 414-6187 or email at [luke.dawson@ag.iowa.gov](mailto:luke.dawson@ag.iowa.gov).

8. **Respondent's Counsel.** Respondent had not communicated to the Board whether or by whom he would be represented at the time this Notice was issued. Respondent has the right to be represented by an attorney. Iowa Admin. Code r. 193F—20.7(2). If represented, the attorney shall file an appearance in this matter. *Id.* If the attorney is not licensed to practice law in Iowa, the attorney shall comply with Iowa Court Rule 31.14. *Id.*

9. **Settlement.** The procedural rules governing the Board's settlement process are found at Iowa Administrative Code rule 193F—20.42. *See also* Iowa Code § 17A.10. If you are interested in pursuing settlement of this matter, please contact Assistant Attorney General Luke Dawson.

10. **Communications.** You may not contact Board members by phone, letter, facsimile, email, or in person about this Notice of Hearing and Statement of Charges. Board members may only receive information about the case when all parties have notice and an opportunity to participate, such as at the hearing or in pleadings you file with the Board office and serve upon all parties in the case. You should direct any questions to: Assistant Attorney General, Luke Dawson, or the Board's Executive Officer, Brandy March, at (515) 725-9025.

## B. STATEMENT OF CHARGES

1. On May 29, 2019, the Board obtained information raising questions about Respondent's compliance with USPAP in the development and reporting of appraisal assignments. The Board subsequently requested two (2) additional appraisal reports from Respondent and submitted them for Standard Three USPAP review by a peer reviewer. All three (3) appraisal reviews revealed significant issues related to report writing, understanding and application of proper methodology, adherence to USPAP standards of practice, and Respondent's competency.

2. Following an informal hearing in this matter in which Respondent participated with the Board's Discipline Committee, on October 31, 2019, the Board voted to find probable cause to charge Respondent with violating the laws, rules, and practice standards administered by the Board.

3. The Board charges Respondent with the following:

- a) Failure to adhere to USPAP in the development and communication of multiple appraisals in violation of Iowa Code sections 543D.17(1)(d) and .18(1) and Iowa Administrative Code rules 193F—7.2, .3(2)(d) and .3(7)(a).
- b) Failure to exercise reasonable diligence in the development and communication of multiple appraisals in violation of Iowa Code section 543D.17(1)(e) and Iowa Administrative Code rule 193F—7.3(6)(a).
- c) Demonstrating negligence or incompetence in the development, preparation, and communication of multiple appraisals in violation of Iowa Code sections 272C.10(2) and 543D.17(1)(f) and Iowa Administrative Code rules 193F—7.3(2)(a)–(d) and (6)(a).
- d) Engaging in unethical, harmful, or detrimental conduct in violation of the public trust and USPAP's ETHICS RULE in violation of Iowa Code sections 272C.10(3), 543D.17(1)(b) and (d), and 543D.18(1) and Iowa Administrative Code rule 193F—7.3(4)(c).

**This Notice of Hearing and Statement of Charges is Filed and Issued**

**On the 13th Day of January, 2020**



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Brandy March, Executive Officer  
Iowa Real Estate Appraiser Examining Board  
200 E. Grand, Ste. 350  
Des Moines, IA 50309  
Phone: (515)725-9025  
[brandy.march@iowa.gov](mailto:brandy.march@iowa.gov)



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

REAP  
Board / Commission  
B. March  
Signature, Executive Officer

IN THE MATTER OF:

Stanley Wolkins,  
CG01938

RESPONDENT

Case No. 19-11

MOTION TO AMEND  
STATEMENT OF CHARGES

COMES NOW the State of Iowa, and moves to amend the Statement of Charges in this matter, as set forth below, and in support thereof states as follow:

1. The State seeks to amend the pending charges to assert additional factual allegations and additional charges.
2. A hearing in this matter is pending and is scheduled for March 26, 2020, at 9:30 o'clock, a.m.
3. Pursuant to Iowa Administrative Code rule 193F—20.16(17A) "Any notice of hearing or statement of charges may be amended before a responsive pleading has been filed. Amendments to pleadings after a responsive pleading has been filed and to an answer may be allowed with the consent of the other parties or in the discretion of the presiding officer who may impose terms or grant a continuance."
4. Respondent has not yet filed an answer in this matter.
5. It is in the interest of justice to allow this amendment. The new factual allegations arise from additional investigation conducted in preparation for the hearing in this matter.
6. There is sufficient time for Respondent to prepare a defense to these new factual allegations and charges.
7. Allowing amendment of the charges would prevent unnecessary duplication of the time and resources of both parties and the Board.
8. The State seeks to amend the charges to add additional factual allegations and additional charges. Specifically, the State seeks to amend Sections B (Statement of Charges) to read as follows (amendments in italics).

**B. STATEMENT OF CHARGES**

1. On May 29, 2019, the Board obtained information raising questions about

Respondent's compliance with USPAP in the development and reporting of appraisal assignments. The Board subsequently requested two (2) additional appraisal reports from Respondent and submitted them for Standard Three USPAP review by a peer reviewer. All three (3) appraisal reviews revealed significant issues related to report writing, understanding and application of proper methodology, adherence to USPAP standards of practice, and Respondent's competency.

2. Following an informal hearing in this matter in which Respondent participated with the Board's Discipline Committee, on October 31, 2019, the Board voted to find probable cause to charge Respondent with violating the laws, rules, and practice standards administered by the Board.

3. *Respondent was disciplined for USPAP violations in Nebraska in 2018. The Consent Order in that matter is attached hereto. Respondent's discipline in Nebraska is, itself, a violation of the laws and rules administered by the Board, and further evinces a pattern or practice of misconduct that should be viewed as an aggravating factor and which warrants an increased sanction.*

4. The Board charges Respondent with the following:

- a) Failure to adhere to USPAP in the development and communication of multiple appraisals in violation of Iowa Code sections 543D.17(1)(d) and .18(1) and Iowa Administrative Code rules 193F—7.2, .3(2)(d) and .3(7)(a).
- b) Failure to exercise reasonable diligence in the development and communication of multiple appraisals in violation of Iowa Code section 543D.17(1)(e) and Iowa Administrative Code rule 193F—7.3(6)(a).
- c) Demonstrating negligence or incompetence in the development, preparation, and communication of multiple appraisals in violation of Iowa Code sections 272C.10(2) and 543D.17(1)(f) and Iowa Administrative Code rules 193F—7.3(2)(a)–(d) and (6)(a).
- d) Engaging in unethical, harmful, or detrimental conduct in violation of the public trust and USPAP's ETHICS RULE in violation of Iowa Code sections 272C.10(3), 543D.17(1)(b) and (d), and 543D.18(1) and Iowa Administrative Code rule 193F—7.3(4)(c).
- e) *Professional misconduct for having been disciplined by a licensing authority of another state in violation of Iowa Code section 543D.17(1) and Iowa Administrative Code 193F—7.3(7)(d).*

Respectfully submitted,

/s/ Lucas W. Dawson

LUCAS W. DAWSON

Assistant Attorney General

Iowa Department of Justice

Hoover State Office Building, 2<sup>nd</sup> Floor  
1305 East Walnut Street  
Des Moines, Iowa 50319  
Telephone: (515) 414-6187  
Email: Luke.Dawson@ag.iowa.gov  
ATTORNEYS FOR DEFENDANT

**Original Filed.**  
**Copy to:**  
Stanley Wolkins  
Wolkins Appraisal Services, Inc.  
2118 Washington St.  
Blair, NE 68008  
Des Moines, Iowa 50319  
Telephone: 402-740-4214  
Email: [stanwolkins@yahoo.com](mailto:stanwolkins@yahoo.com)

**Proof of Service**

The undersigned certifies that the foregoing instrument was served upon each of the persons identified as receiving a copy by delivery in the following manner on the \_\_\_\_ day of February, 2020.

<input type="checkbox"/> U.S. Mail	<input type="checkbox"/> FAX
<input checked="" type="checkbox"/> Personal Service	<input type="checkbox"/> Overnight Courier
<input type="checkbox"/> Federal Express	<input type="checkbox"/> Other
<input type="checkbox"/> Electronically	

Signature: \_\_\_\_\_

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

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In the Matter of:	)	
	)	
	)	Case No. 20REA0001
Stanley Wolkins	)	REA No. 19-11
CG01938	)	
	)	
	)	<b>CONTINUANCE ORDER</b>
Respondent.	)	

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Hearing in this matter was previously scheduled for April 30, 2020, with a prehearing conference scheduled for April 16, 2020. Prior to the date of the prehearing conference, the State requested a continuance. The Respondent had no objection to the continuance. The State's request for continuance is granted. By agreement of the parties, the hearing will be held on **May 26, 2020 at 9:30 AM** at the Offices of the Real Estate Appraisers, 200 E Grand Ave, Ste 350, Des Moines, IA 50309.<sup>1</sup>

The telephonic prehearing conference will be held on **May 15, 2020 at 8:30 AM.**<sup>2</sup> The parties shall follow the call-in instructions at the end of this order to participate in the prehearing conference.

Dated this 14th day of April, 2020.

*Kathleen M. O'Neill*

Kathleen M. O'Neill  
Administrative Law Judge  
Iowa Department of Inspections and Appeals  
Division of Administrative Hearings  
Wallace State Office Building, 3rd Floor  
502 E. 9th Street  
Des Moines, IA 50319  
kathleen.o'neill@dia.iowa.gov  
Tel: (515) 281-7141  
Fax: (515) 281-4477

cc: Stanley Wolkins (By Mail)  
Lucas Dawson, AAG (By Email)

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<sup>1</sup> See Notice of Hearing and Statement of Charges for more details.

<sup>2</sup> See the March 5, 2020 order for more details.

## **INSTRUCTIONS TO PARTICIPATE IN THE HEARING:**

**At the date and time scheduled for hearing, you must do the following:**

- Call the following toll-free telephone number: (877) 803-9056
- The system will ask if you are the organizer. You are not the organizer – Do not press 2.
- You will be put on hold until the judge enters the conference call; stay on the line until the judge enters the call.
- **It is your responsibility to call in for the hearing. The judge will not call you. If you do not call using the above instructions, you will not be able to participate in the hearing. If you have technical difficulties connecting at the time of hearing, please call (515) 281-6468.**

**Important information about participating in the hearing:**

- You may call in as early as five minutes before your hearing is scheduled to begin (example: if your hearing is scheduled to begin at 9:00 AM, you may call as early as 8:55 AM). If you call in before the time of your hearing and receive a message that the conference is locked by the organizer, the judge is completing another hearing. Please hang up and call in again at the scheduled time of your hearing.
- The judge will wait five minutes after the time the hearing is scheduled to start to allow all parties to call in. If you have not called in by five minutes after the hearing is scheduled to start, the judge may enter a default judgment against you.



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

<p><b>IN THE MATTER OF:</b></p> <p>Stanley Wolkins, CG01938</p> <p><b>RESPONDENT</b></p>	<p>Case No. 19-11</p> <p><b>MOTION TO CONTINUE</b></p>
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**COMES NOW** the State of Iowa, by and through undersigned counsel, and states the following:

1. This is the State's Second Motion to Continue in this matter. In its First Motion to Continue, the State noted that a key expert witness, Julie Ann Griffith, would not be available to testify on the original hearing date due to an unexpected family circumstance. The Board granted the State's First Motion to Continue, and the hearing was rescheduled. *See* attached Order to Continue Formal Hearing. As of now, a contested case hearing in this matter is currently scheduled for **April 30, 2020, at 9:30 o'clock, a.m.**
2. Since that time, Ms. Griffith's family circumstance has continued and worsened. She is currently in Arizona attending to this family matter. In addition, as a result of the COVID-19 pandemic, travel restrictions have caused uncertainty surrounding her ability to secure a flight back to Iowa and are likely to further delay her return and ability to prepare for the hearing or testify therein. *See* attached email outlining Ms. Griffith's current situation.
3. Counsel for the State in this matter has reached out to Respondent, who has confirmed that he does not object to further continuing the hearing in this matter as requested by the State herein. *See* Iowa Admin. Code r. 193F—20.22(3) ("The board's executive officer or an administrative law judge may enter an order granting an uncontested application for a continuance.").
4. In light of the foregoing, the State respectfully requests that the hearing in this matter be continued until the Board's regularly scheduled May meeting, currently **May 26, 2020, at 9:30 o'clock, a.m.**
5. If this motion is granted, the State also respectfully requests that the prehearing conference in this matter, currently scheduled for **April 16, 2020, at 8:30 a.m.**, be rescheduled to a date in May that is closer to the new hearing date. Counsel for the State in this matter has reached out to the Respondent, and has confirmed that both the State and the Respondent could participate in a prehearing conference on either (a) **May 14, 2020, at 8:30 a.m.**, or (b) **May 15, 2020, at 8:30 a.m.**, whichever works better from a scheduling perspective.
6. Pursuant to Iowa Administrative Code rule 193F—20.22(2), "In determining whether to

grant a continuance, the presiding officer may require documentation of any grounds for continuance and may consider," among other factors:

- a. Prior continuances;
  - b. The interests of all parties;
  - c. The existence of an emergency;
  - d. Any objection;
  - e. The timeliness of the request.
7. These factors weigh in favor of granting this Motion to Continue and further continuing the hearing in this matter to **May 26, 2020, at 9:30 o'clock, a.m.** This is only the second requested continuance in this matter; Ms. Griffith's family circumstance continues to present an unforeseen family emergency inhibiting her ability to prepare or testify by or on the current hearing date; the COVID-19 pandemic has further complicated the nature of Ms. Griffith's emergency and ability to coordinate a timely return to prepare and testify; the Respondent does not object to this motion; and this request is timely as it is made slightly under one month before the currently scheduled hearing date.

**WHEREFORE** the State respectfully requests the hearing in this matter be continued.

Respectfully submitted,

THOMAS J. MILLER  
Attorney General of Iowa



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LUCAS W. DAWSON  
Assistant Attorney General  
Iowa Attorney General's Office  
2nd Floor, Hoover State Office Building  
Des Moines, Iowa 50319  
(515)414-6187  
[luke.dawson@ag.iowa.gov](mailto:luke.dawson@ag.iowa.gov)

**Original to Board.**

**Copies to:**

- 1) Stanley Wolkins, Respondent;
- 2) Kathleen O'Neill, Administrative Law Judge;
- 3) Laurie Bolluyt, Administrative Assistant, Department of Inspections and Appeals;
- 4) Robert Lampe, Executive Officer assisting the Board throughout these proceedings.

**Proof of Service**

The undersigned certifies that the foregoing instrument was served upon each of the persons identified as receiving a copy by delivery in the following manner on the 3rd day of April, 2020.

- |  |  |
|--|--|
| <input type="checkbox"/> U.S. Mail                 | <input type="checkbox"/> FAX               |
| <input type="checkbox"/> Hand Delivery             | <input type="checkbox"/> Overnight Courier |
| <input type="checkbox"/> Federal Express           | <input type="checkbox"/> Other             |
| <input checked="" type="checkbox"/> Electronically |  |

Signature:

A handwritten signature in black ink, appearing to read "S. J. [unclear]", written over a horizontal line.

**Attachment A**  
First Order to Continue



FILED 7/30/2020 (Date)

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

REAP  
Board / Commission  
Robert E. Lampe  
Signature, Executive Officer

IN THE MATTER OF:

CASE NO. 19-11

DIA NO. 20REA0001

STANLEY WOLKINS

CERTIFICATE NO. CG01938

**FINDINGS OF FACT,  
CONCLUSIONS OF LAW,  
DECISION AND ORDER**

RESPONDENT

On January 13, 2020, the Iowa Real Estate Appraiser Examining Board (Board) found probable cause to file a Notice of Hearing and Statement of Charges against Stanley Wolkins (Respondent). The Respondent was charged with:

- 1) Failure to adhere to USPAP in the development and communication of multiple appraisals in violation of Iowa Code sections 543D.17(1)(d) and .18(1) and Iowa Administrative Code rules 193F—7.2, .3(2)(d) and .3(7)(a).
- 2) Failure to exercise reasonable diligence in the development and communication of multiple appraisals in violation of Iowa Code section 543D.17(1)(e) and Iowa Administrative Code rule 193F—7.3(6)(a).
- 3) Demonstrating negligence or incompetence in the development, preparation, and communication of multiple appraisals in violation of Iowa Code sections 272C.10(2) and 543D.17(1)(f) and Iowa Administrative Code rules 193F—7.3(2)(a)–(d) and (6)(a).
- 4) Engaging in unethical, harmful, or detrimental conduct in violation of the public trust and USPAP's ethics rule in violation of Iowa Code sections 272C.10(3), 543D.17(1)(b) and (d), and 543D.18(1) and Iowa Administrative Code rule 193F—7.3(4)(c).
- 5) Professional misconduct for having been disciplined by a licensing authority of another state in violation of Iowa Code section 543D.17(1) and Iowa Administrative Code 193F—7.3(7)(d).

A telephone prehearing conference was held June 16, 2020. The hearing took place on June 25, 2020 at 9:30 a.m. over zoom video conference. Assistant Attorney General Lucas Dawson represented the State of Iowa. The Respondent appeared and presented testimony. The following Board members presided at the hearing: Dan Fuhrmeister, Chairperson, appraiser; Loretta Laubach, Vice Chairperson, appraiser; Fred Greder, appraiser; Jordan Maus, appraiser; Teresa Selberg, appraiser; Tracy Crimmins, public member; and Mark Kapfer, public member.



Administrative Law Judge Kathleen O'Neill assisted the Board in conducting the hearing.

The hearing was closed to the public, pursuant to Iowa Code section 272C.6(1) and 193 IAC 7.25(2). After hearing the testimony and examining the exhibits, the Board convened in closed executive session, pursuant to Iowa Code section 21.5(1)(f), to deliberate its decision. The Board instructed the administrative law judge to prepare Findings of Fact, Conclusions of Law, and Decision and Order for their review, in conformance with their deliberations.

### THE RECORD

The record includes the State's prehearing conference report, the testimony of Respondent, testimony of Executive Officer Brandy March, testimony of Julie Ann Griffith, and the State's Exhibits, 1-23, p. 1-617.

### FINDINGS OF FACT

1. The Respondent has held certificate CG01938 as a residential real estate appraiser in the state of Iowa since 1996. The Respondent's certificate is currently valid and scheduled to expire on June 30, 2021. (State's Ex. p. 15)
2. In May 2019, the Board received a complaint against the Respondent regarding his compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) in the development and reporting of an appraisal assignment. (State's Ex. p. 19, 571).
3. The Board sent a letter to the Respondent explaining the allegation and requesting information about an appraisal report for the property at 1409 Timber Lane. The Respondent provided the requested information. The Board sent a copy of original complaint and the Respondent's response to Julie Ann Griffith, a peer reviewer. (State's Ex. p. 557).
4. Ms. Griffith completed a standard review for valuation appraisals for the property at 1409 Timber Lane. She identified numerous serious deficiencies in the Respondent's appraisal report. Within the appraisal, Ms. Griffith found four areas of concern: general requirements, neighborhood requirements, improvements, and cost approach. She explained the concerns in her comments:
  - a. General requirements: "General USPAP requirements of report type, intended user/use, were covered in the USPAP and USPAP Compliance Addendum. There was no noted statement of prior or lack of prior services in the past three years. This is easily remedied with a simple prior service disclosure statement or in an more recent USPAP Compliance addendum. There was no current listing sheet of the subject property included in the workfile only several older listing sheets from about 10 years ago. The actual pertinent MLS # and listing history of price/dates of this listing was not available from the workfile and the data could

not be verified. This information is not complete or supported by any data found in the workfile. According to Zillow the property was listed back in January 2019."

At hearing, Ms. Griffith explained that it was important to know the history of a property, including the date it was listed on the market, the amount of days on the market, and any price reductions. She had concerns that the work file did not contain any current listing sheet, and only included older listing sheets from 10 years prior. Further, the property incorrectly stated the days on the market. (State's Ex. p. 345, Griffith testimony)

- b. Neighborhood requirements: "The neighborhood boundaries are not accurately defined but seems to simply spread out a few miles in every direction and are not specific to the immediate development/neighborhood or even the city limits of Glenwood. The description of the "neighborhood" refers to the town of Glenwood and is not adequate in giving details as to the town of Glenwood or the more immediate market area of this development. The market trends shown in the 1004MC can not possibly be accurate and it is stated that the criteria was derived by using properties in a 2 mile radius of the subject. Given the population of Glenwood being only aprox 5200 residents, this seems to be referring to another market, there was no support for this information in the workfile such an MLS generated 1004 MC form, etc."

Ms. Griffith explained that USPAP required that appraisals give neighborhood boundaries with details including the price range, land use, and development of land. In this appraisal, the Respondent included neighborhood boundaries that did not pertain to that specific neighborhood. This incorrect information could negatively affect the reader's ability to understand the market and neighborhood, and could affect the selection of comparable houses.

- c. Improvements: "The general materials and condition appear to be adequately described - Basement area is reported to be 1652 sf - This seems to also include the garage area which is not correct. The subjects effective age is reported to be only 5 years versus its actual age of 15 but yet no updates were reported. It is unlikely that a 15 years old home with no updates would have an effective age of only 5 years if no updates had occurred. Upon reading the listing comments available on line the kitchen was updated with granite countertops and a tiled backsplash, this would have been relevant information to include in the property description."

Ms. Griffith explained that it was important to provide factual property data including updates, year built, and size of property, as those items were specific to the overall property value and features. (State's Ex. p. 111, 347, Griffith testimony)

- d. Cost approach: "Exclusion of the cost approach could be supported given the age of the subject. The site value is not supported and no additional support for this

conclusion found in the workfile. There was also no support for the cost estimates and they did not appear to be in line with similar cost estimates available to this reviewer. There was no costs included for any site improvements. Square footage of garage and basement are "double-dipped" meaning he is counting the garage square footage with the basement square footage and then also for garage square footage. The methodology/development of this approach and its conclusion is not reliable for these reasons."

Ms. Griffith explained that the cost approach of value was reliable in homes under 10 years of age. The sales comparison approach was most commonly used in residential appraisals and was the most reliable, as it made a direct comparison to other homes of similar value. Looking at comparable sales provided a range of values between comparable properties. An appraiser made a reconciliation of four different values, taking into account similarities and outliers of the various properties. In this case, the Respondent did not provide accurate information about the comparable properties. (State's Ex. p. 348, Griffith testimony)

5. Ms. Griffith completed a chart that showed a side-by-side example of the information the Respondent used in his report of 1409 Timber Lane against comparable properties as reported by the county assessor record, which was public information. The numbers documented by the Respondent showed discrepancies and included incorrect reports of the comparable homes. Because of the inaccuracies, the value the Respondent assigned to the property was not within the accurate range, so therefore, the opinion of value was not supported. The Respondent did not explain how he reached the value, or show a reconciliation of value of why it was less than comparable sales. (State's Ex. p. 89, 347, 348, 355, Griffith testimony)

6. Overall, Ms. Griffith found "[T]he report contained numerous factual errors, as well as numerous issues with the development of the opinion of value. The comparable selection was not appropriate, incorrectly reported in many areas and the report simply had too many errors and lacked sufficient development of the Cost and Sales Comparison approach for the client to have relied on this report for its intended use. The appraiser does not demonstrate competency or the ability to communicate the needed information or develop the relevant approaches to value. The workfile did not contain supporting documents of MLS, 1004MC development, site value or cost estimate support."

Ms. Griffith found the Respondent's report for 1409 Timber Lane was substantially non-compliant. (State's Ex. p. 352)

7. In order to determine whether the Respondent's appraisal of 1409 Timber Lane was an isolated event or a systemic problem, Ms. March selected two additional reports and asked that the Respondent provide copies of the report and the associated work file for the properties at 812 Kole Drive and 14965 Harriman Lane. The Kole Drive property was a review the Respondent performed of another appraiser. Ms. March chose this report

because the Respondent's business included review work. (State's Ex. p. 362, March testimony)

8. The Respondent provided the requested information, which Ms. March again sent to Ms. Griffith. Ms. Griffith identified similar violations and concerns in both properties as those found in the report for 1409 Timber Lane, and found the Respondent substantially non-compliant with USPAP standards. She explained that the Board was not trying to nit pick, and understood that everyone made mistakes. However, the amount of errors in the Respondent's work was significant. (State's Ex. p. 438, 538, Griffith testimony)

9. The Board has a discipline committee comprised of a subset of board members. On October 31, 2019, the discipline committee conducted an informal hearing and invited the Respondent to discuss the situation and hear his side of the story. The Respondent attended; however the discipline committee felt that he did not appear to care that he made mistakes, and showed no interest in additional training. The Respondent's demeanor lacked interest in the situation and demonstrated that he wanted to do only the minimal amount possible. He did not want to remedy his mistakes nor better his abilities as an appraiser. He found USPAP training dull and only chose out of state courses in order to travel. (State's ex., p. 553, March testimony)

10. Following the informal hearing, on October 31, 2019, the Board found probable cause to charge the Respondent with violating appraisal standards and the laws and rules administered and enforced by the Board. (State's Ex. p. 3).

a. Failure to adhere to USPAP in the development and communication of multiple appraisals in violation of Iowa Code sections 543D.17(1)(d) and .18(1) and Iowa Administrative Code rules 193F—7.2, .3(2)(d) and .3(7)(a).

b. Failure to exercise reasonable diligence in the development and communication of multiple appraisals in violation of Iowa Code section 543D.17(1)(e) and Iowa Administrative Code rule 193F—7.3(6)(a).

c. Demonstrating negligence or incompetence in the development, preparation, and communication of multiple appraisals in violation of Iowa Code sections 272C.10(2) and 543D.17(1)(f) and Iowa Administrative Code rules 193F—7.3(2)(a)–(d) and (6)(a).

d. Engaging in unethical, harmful, or detrimental conduct in violation of the public trust and USPAP's ethics rule in violation of Iowa Code sections 272C.10(3), 543D.17(1)(b) and (d), and 543D.18(1) and Iowa Administrative Code rule 193F—7.3(4)(c).

11. The Board asked that the Respondent voluntarily surrender his license. The Respondent responded by letter, stating, "I will quit appraising property in Iowa. I will let

my Certification expire in 2021. I will never apply for an appraiser license of any kind in Iowa. You dismiss the charges.” (State’s Ex. p. 554)

12. By rule, the Board was unable to dismiss the charges and accept a person resigning his or her license during an open complaint. Therefore, the matter was set for hearing, with the notice of hearing and statement of charges served on the Respondent by the sheriff. (State’s Ex. p. 555, March testimony)

13. Subsequently, Ms. March learned that the Respondent was disciplined in Nebraska, which had reciprocal consequences in Iowa. Ms. March asked for and received the consent agreement the Respondent signed in Nebraska. The State asked to have the charges amended, in order to recognize the Nebraska discipline. (State’s Ex. p, 6, March testimony)

14. On March 6, 2020, the motion was granted, adding one additional charge:

e. Professional misconduct for having been disciplined by a licensing authority of another state in violation of Iowa Code section 543D.17(1) and Iowa Administrative Code 193F—7.3(7)(d).

15. At hearing, the Respondent stated that he went to the informal conference and told them that his work files were destroyed by water. The committee members’ body language made him think that they did not believe him. The Respondent remade the work files, and stated that maybe he should not have done that. The Respondent explained that you make mistakes in reports. He looked up previous Iowa discipline cases in the past five years and no one had been disciplined like this. The Nebraska appraisers board had put him out of business three times. He did not feel that he should be sanctioned \$1000.00 for the Nebraska appraisal. (Wolkins testimony)

### CONCLUSIONS OF LAW

The Board shall adopt rules establishing uniform appraisal standards and appraiser certification requirements and other rules necessary to administer and enforce its responsibilities.<sup>1</sup> The Board adopted the Uniform Standards of Professional Appraisal Practice (USPAP) as standards of practice governing all real property appraisal activities.<sup>2</sup>

The appraisal standards adopted by the Board are summarized in Iowa Code chapter 543D.18:

A certified real estate appraiser shall comply with the uniform appraisal standards adopted under this chapter. The reliance of the public in general and of the financial business community in particular on sound, reliable real estate appraisal practices imposes on persons engaged in the practice of real

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<sup>1</sup> Iowa Code (ICA) § 543D.5(1) (2019).

<sup>2</sup> 193 Iowa Administrative Code (IAC) 7.2.



estate appraising as certified real estate appraisers or as registered associate real estate appraisers certain obligations both to their clients and to the public. These obligations include the obligation to maintain independence in thought and action, to adhere to the uniform appraisal standards adopted under this chapter, and to maintain high standards of personal conduct in all matters impacting one's fitness to practice real estate appraising. A certified real estate appraiser and a registered associate real estate appraiser acting under the direct supervision of a certified real estate appraiser shall perform all appraisal assignments in an honest, disinterested and impartial manner, with objectivity and independence, and without accommodation to the personal interests or objectives of the appraiser, the client, or any third person.<sup>3</sup>

Iowa Code section 272C.3(2)(a) authorizes the Board to revoke or suspend a license subject to the jurisdiction of that board. Provisions for revocation or suspension of a license include:

1. Fraud in procuring a license.
2. Professional incompetency.
3. Knowingly making misleading, deceptive, untrue or fraudulent representations in the practice of the licensee's profession or engaging in unethical conduct or practice harmful or detrimental to the public. Proof of actual injury need not be established.
4. Habitual intoxication or addiction to the use of drugs.
5. Conviction of a felony related to the profession or occupation of the licensee. A copy of the record of conviction or plea of guilty shall be conclusive evidence.
6. Fraud in representations as to skill or ability.
7. Use of untruthful or improbable statements in advertisements.
8. Willful or repeated violations of the provisions of this chapter.<sup>4</sup>

Factors the Board may consider when determining whether to impose discipline and what type of discipline to impose include the history and background of respondent, the nature of the violation, and the interest of the public.<sup>5</sup>

The Board charged the Respondent with five violations:

- 1) *Failure to adhere to USPAP in the development and communication of multiple appraisals.*

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<sup>3</sup> ICA § 543D.18

<sup>4</sup> ICA § 272C.10.

<sup>5</sup> 193F IAC 8.15.

The Board is authorized to revoke, suspend, or discipline a certified real estate appraiser for violating any of the standards for the development or communication of real estate appraisals.<sup>6</sup>

2) *Failure to exercise reasonable diligence in the development and communication of multiple appraisals.*

The Board is authorized to revoke, suspend, or discipline a certified real estate appraiser who fails to exercise reasonable diligence in developing an appraisal, preparing an appraisal report, or communicating an appraisal.<sup>7</sup>

3) *Demonstrating negligence or incompetence in the development, preparation, and communication of multiple appraisals.*

The Board is authorized to revoke, suspend, or discipline a certified real estate appraiser who is negligent or incompetent in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal.<sup>8</sup>

4) *Engaging in unethical, harmful, or detrimental conduct in violation of the public trust and USPAP's ethics rule.*

The Board is authorized to revoke, suspend, or discipline a certified real estate appraiser who fails to meet minimum qualifications or violates any of the standards for the development or communication of real estate appraisals.<sup>9</sup>

With regard to charges one through four, the Board reviewed the Respondent's three appraisal reports and found compliance issues in each reports. Ms. Griffith summarized her findings as "contain[ing] numerous factual errors, as well as numerous issues with the development of the opinion of value." The reports "lacked sufficient [detail or analysis] for the client to have relied on this report for its intended use," and failed to "demonstrate competency or the ability to communicate the needed information or develop the relevant approaches to value."

USPAP requires that an appraisal give specific details about properties, including the price range, land use, development of land, home updates, and year the home was built. The Respondent consistently provided incorrect property information and incorrect comparison information. His appraisal reports failed to accurately include and analyze relevant information to support the underlying factual assumptions and appraisal analysis, and failed to appropriately utilize proper methodology.

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<sup>6</sup> ICA § 543D.17(1)(d).

<sup>7</sup> ICA § 543D.17(1)(e).

<sup>8</sup> ICA § 543D.17(1)(f).

<sup>9</sup> ICA § 543D.17(1)(b), (d).

The Board determined that the Respondent's reports and work product violated USPAP standards, and when confronted with that information at the informal hearing, the Respondent appeared not to care; he cared only that clients accepted the reports. The discipline committee found the Respondent's demeanor and statements insincere. The Respondent did not present evidence demonstrating that he had taken steps to remediate his compliance issues. The Board was not confident the Respondent would fulfill his continuing educational requirements or learn from his past mistakes. Overall, the Board found that the Respondent showed a willful disregard of applicable USPAP standards.

5) *Professional misconduct for having been disciplined by a licensing authority of another state.*

In addition to the three incorrect appraisal reports, the Respondent's background included a recent disciplinary action in Nebraska for similar misconduct. The Nebraska discipline provided an independent basis for the Board to initiate disciplinary action against the Respondent.<sup>10</sup> This discipline coupled with the recurrent Iowa violations showed that the Respondent's actions were not isolated or situational. These acts demonstrated a pattern of noncompliance that was detrimental to the public trust. The Board found that the Respondent's conduct risked harm to the public trust and public interest.

#### *Sanction*

The preponderance of the evidence established that the Respondent demonstrated professional incompetency and knowingly made misleading and fraudulent representations in his work as a certified appraiser in violation of Iowa Code section 272C.10 subsections (2) and (3).<sup>11</sup> The Board reviewed its previous decisions that imposed similar misconduct. In case 16-32, the Respondent deviated from the applicable standards in three total appraisal reports. The appraiser voluntarily surrendered his license as a part of a consent order, which the Board treated as a revocation. In case 18-14, the Respondent voluntarily surrendered his license when multiple appraisal reports revealed USPAP violations, again, which the Board considered revocation of his certificate.

The Respondent's actions and communications have demonstrated a lack of initiative, competency, and commitment to the profession of a real estate appraiser. The Board finds the Respondent's record warrants revocation of his Iowa real estate appraiser certificate.

In addition, the Board imposes a civil penalty of \$1000.00 for each appraisal involved in this disciplinary action, for a total of \$4000.00.<sup>12</sup>

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<sup>10</sup> ICA § 543D.17(1); 193F IAC 7.3(7)(d).

<sup>11</sup> ICA § 272C.10(2), (3).

<sup>12</sup> ICA § 272C.3(2)(e) (authorizing the Board to "[i]mpose civil penalties by rule, if the rule specifies which offenses or acts are subject to civil penalties," in which case [t]he amount of civil penalty shall be in the discretion of the board, but shall not exceed one thousand dollars"); 193F IAC 8.14 (3).

**DECISION AND ORDER**

**IT IS THEREFORE ORDERED** that Iowa Real Estate Appraiser Certificate No. CG01938, issued to Stanley Wolkins, is hereby REVOKED.

**IT IS THEREFORE ORDERED** that Stanley Wolkins shall pay a civil penalty to the Commission in the amount of \$4000.00 within thirty (30) days of the date of issuance of this Decision and Order.

**IT IS FURTHER ORDERED**, pursuant to Iowa Code section 272C.6 and 193 IAC 7.41, that the Respondent shall pay \$75.00 within thirty (30) days of the date of issuance of this Decision and Order for fees associated with conducting the disciplinary hearing.

Any application to reinstate the Respondent's certificate will be subject to the provisions of 193 IAC 7.38. The burden of proof will be on the Respondent to establish that the reason for the revocation of his certificate no longer exists and that it is in the public interest for his certificate to be reinstated.

Dated this day of 7/30, 2020

*Robert E. Lampe on behalf of Chair.*

Dan Fuhrmeister, Appraiser  
Chairperson  
Iowa Real Estate Appraiser Examining Board

cc: Lucas Dawson  
Assistant Attorney General  
Hoover State Office Building  
Des Moines, Iowa 50319

Judicial review of the board's decision may be sought in accordance with the terms of Iowa Code chapter 17A.<sup>13</sup>

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<sup>13</sup> 193 IAC 7.37.