

FILED 3-24-21 (DATE)

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

REAP  
Board / Commission

B March

Signature, Executive Officer

<p><b>IN THE MATTER OF:</b></p> <p><b>DARWIN HOLLAND,</b> <b>CG01583</b></p> <p><b>RESPONDENT</b></p>	<p><b>Case No. 19-26</b></p> <p><b>AMENDMENT TO COMBINED STATEMENT OF CHARGES AND SETTLEMENT AGREEMENT</b></p>
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The Iowa Real Estate Appraiser Examining Board (“Board”) and Darwin Holland (“Respondent”) enter into this Amendment to the October 29, 2020, Consent Order in Case No. 19-26, as follows:

1. The Board and Respondent entered into a Consent Order effective October 29, 2020. The Consent Order required Respondent to: complete certain corrective education courses; and, sixty (60) days following the completion of such courses, required Respondent to submit two appraisals for Standard Three desk review by a certified appraiser retained by the Board.

2. Section B.1.a of the Combined Statement of Charges and Settlement Agreement required the respondent to take a fifteen (15) hour tested Residential Sales Comparison course.

3. It was determined that no such course exists.

4. Respondent acknowledges he has the right to hearing and he waives that right and all attendant rights, including the right to seek judicial review, by freely and voluntarily entering into this Amendment to Consent Order. Respondent acknowledges he had the opportunity to consult with legal counsel prior to signing this Amendment to Consent Order.

In light of the above, the Consent Order is amended by replacing all text below “IT IS THEREFORE ORDERED” beginning on page three with the following:

**IT IS THEREFORE ORDERED:**

**A. Practice Restriction - Commercial, Agricultural, and Income**

1. Respondent shall no longer in his capacity as a certified general real estate appraiser or otherwise:

- a. Perform any type of commercial appraisal work, including but not limited to farm appraisals; and
- b. Perform any type of appraisal on an income producing property, or any appraisal on any other property where an income approach would need to be developed in order to produce credible results.

2. Respondent agrees to never apply to the Board to lift these restrictions in the future and waives any right to do so.

### **B. Education**

1. Respondent shall successfully complete within one-hundred-and-eighty (180) days of the execution of this Settlement Agreement:

- a. A four (4) hour corrective action course Residential Report Writing vs Form Filling course;
- b. A four (4) hour corrective action course Missing Explanations course;
- c. A seven (7) hour Residential Report Writing: More Than Forms course; and
- d. A seven (7) hour Land and Site Valuation course.

Respondent shall bear any and all costs associated with these courses and may apply them towards his continuing education requirements for any subsequent renewal.

2. In addition, between the time the Board began investigating Respondent for violations of the laws, rules, and standards administered by the Board, and the Board's finding of probable cause supporting this Combined Statement of Charges and Settlement Agreement, Respondent took the following courses on his own initiative, which the Board considered in determining the amount of additional education necessary to ensure Respondent's competency as it pertains to his continued practice of non-commercial, non-income related appraisal work:

- a. Residential Property Inspection for Appraisers (seven (7) hours);
- b. Evaluating Today's Residential Appraisal: Reliable Review (seven (7) hours);
- c. Supporting Your Adjustments: Methods for Residential Appraisers (three (3) hours);
- d. That's a Violation (four (4) hours);and
- e. 2020-2021 7-Hour National USPAP Update Course (seven (7) hours).

3. Unless Respondent otherwise provided the Board with the following required documentation prior to the execution of this Settlement Agreement, Respondent shall forward to the Board a certificate of completion or other similar documentation or confirmation demonstrating completion within ten (10) days of completion of each course required by paragraphs 1 and 2.

### **C. Consultation with Peer Reviewers**

1. As it relates to the non-income related aspects of the violations identified by the reviewers, Respondent shall, within one-hundred-and-twenty (120) days of the Board approving this Settlement Agreement, consult with each of the reviewers who conducted the Standard Three/Four desk reviews on Respondent's residential appraisals on behalf of the Board to better understand the violations identified by the reviewers and to facilitate Respondent's remediation of the same. Such consultation may occur in person or over the phone, as mutually agreed by Respondent and the applicable reviewer.

2. Respondent shall be obligated to compensate the reviewers for his or her time regarding such consultation at an hourly rate of \$50. Notwithstanding the foregoing, Respondent's obligation to compensate the reviewers shall not exceed a total of \$250.

3. Respondent agrees the consultation required by this Section shall not disqualify the reviewers from serving as a witness, or otherwise limit the reviewer's testimony, in any subsequent contested case(s).

### **D. Logs and Desk Review**

1. Until Respondent has complied with all terms of Sections B through E of this Settlement Agreement, Respondent shall send the Board appraisal logs on the tenth (10th) day of each month for the prior month's appraisals.

2. Approximately one-hundred-and-eighty (180) days after Respondent has completed all education in accordance with Section B (Education), above, the Board shall select two (2) appraisals from Respondent's log for review that were completed after the required education was completed. Section B (Education), above, provides the deadline within which the required education must be completed. Respondent is free, however, to escalate the time frame for completion of this Settlement Agreement by completing the education earlier than the deadline.

3. The Board will retain a certified appraiser to complete Standard Three/Four reviews on the appraisals selected for review. Respondent shall provide the Board, within ten (10) days of request, one (1) copy of the appraisals and associated work files, and the sum of \$850 to be paid by the Board to the retained review appraiser.

4. The reviewing appraiser(s) shall complete a comprehensive Standard Three/Four review for each appraisal. The review shall be for facial compliance with USPAP. The reviewer(s) will not perform inspections or warrant the accuracy of Respondent's work product, but will review work papers, calculations, and any other documents as may be reasonably necessary. Along with appraisal reports and work files, Respondent shall provide the reviewing appraiser(s) copies of all documents verifying the accuracy of factual representations in each appraisal. The reviewer(s) may request additional information, if needed, such as documentation of paired sales analysis, documentation of support for site values, and the like. The costs associated with desk review are the responsibility of Respondent, but are capped at the amounts noted in paragraph 3.

5. The reviewer(s) shall prepare written comments on each appraisal's compliance

with USPAP, and shall provide copies of the written comments to the Board. The Board shall provide the reviews to Respondent.

6. Following the Board's receipt of the two (2) review appraisals, the Board shall either:

- a) Enter an order indicating Respondent's full compliance with Sections B through D of this Settlement Agreement; or
- b) If the desk review comments and appraisals reveal significant USPAP violations, the Board shall defer final ruling and may order additional education or desk reviews, or other rehabilitative measures. No such order will be issued without affording Respondent reasonable notice and an opportunity to request hearing.

7. Respondent shall not supervise an associate residential appraiser or otherwise co-sign another residential appraiser's work as a supervisor indefinitely.

8. This Settlement Agreement shall not preclude the Board from filing additional charges if one (1) or more of the appraisals submitted for any desk review process contemplated hereunder demonstrate probable cause to take such an action. Respondent agrees Board review of desk review reports or appraisals subject to desk review shall not constitute "personal investigation" or otherwise disqualify a Board member from acting as a presiding officer in any subsequent contested case(s).

**Case No. 19-26**

**AGREED AND ACCEPTED:**

**Respondent**

**Iowa Real Estate Appraiser Examining Board**



**Darwin Holland**

3/22/2021  
**Date**



**Dan Fuhrmeister, Chair**

3/24/2021  
**Date**

**Exhibit A - 1322 B Highway 105 in Northwood, IA**

**Exhibit B - 700 Hulin St in Charles City, IA**

**Exhibit C - 302 B Street in Leland, IA**

**Exhibit D - 1298 480th Street in Saint Ansgar, IA**



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

Department of Banking  
Division of Banking  
FILED 10/29/2020 (DATE)  
REAP  
Board / Commission  
B March  
Signature, Executive Officer

IN THE MATTER OF:

DARWIN HOLLAND,  
CG01583

RESPONDENT

Case No. 19-26

COMBINED STATEMENT  
OF CHARGES AND  
SETTLEMENT AGREEMENT

**A. Statement of Charges**

1. The Iowa Real Estate Appraiser Examining Board (“Board”) has jurisdiction of this disciplinary matter pursuant to Iowa Code chapters 17A, 272C, and 543D (2020).
2. Respondent is a certified general real estate appraiser in Iowa. He was issued Certificate No. CG01583 on December 21, 1992.
3. Certificate No. CG01583 is currently valid and scheduled to expire on June 30, 2022.
4. At the end of 2019 the Board obtained information raising questions about Respondent’s compliance with USPAP in the development and reporting of two (2) appraisal assignments. The Board subsequently requested copies from Respondent of the two (2) initial reports by which the compliance issues were originally brought to the Board’s attention, and thereafter two (2) additional appraisal reports in order to assess Respondent’s work product as a whole. The Board submitted all four (4) reports for Standard Three/Four USPAP review by a peer reviewer. All four (4) 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.
5. Following an informal hearing in this matter in which Respondent participated with the Board’s Discipline Committee, on August 25, 2020, the Board voted to find probable cause to charge Respondent with violating appraisal standards.
6. 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

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272C.10(3), 543D.17(1)(b) and (d), and 543D.18(1) and Iowa Administrative Code rule 193F—7.3(4)(c).

7. The Board and Respondent have agreed to fully resolve these charges through the following Settlement Agreement, rather than proceed to a contested case hearing.

8. In signing this Settlement Agreement, Respondent admits the underlying facts and conduct alleged by the Board in this case, and admits to a violation of the underlying statutory provisions and rules charged by the Board in this Statement of Charges.

### **B. Settlement Agreement**

1. Respondent has a right to a hearing on the charges. However, by freely and voluntarily entering into this Settlement Agreement, Respondent waives Respondent's right to hearing and all attendant rights, including the right to appeal to the superintendent and seek judicial review.

2. This Settlement Agreement constitutes discipline against Respondent pursuant to and in accordance with Iowa Administrative Code rule 193F—8.16, and, subject to Iowa Administrative Code rule 193F—17.2(4), is the final agency action in a contested case pursuant to Iowa Code section 17A.10 and Iowa Administrative Code rule 193F—20.4.

3. Respondent acknowledges that Respondent had the opportunity to consult with counsel before agreeing to this Settlement Agreement.

4. Respondent agrees the State's counsel may present this Settlement Agreement to the Board and may have ex parte communications with the Board while presenting it.

5. This Settlement Agreement shall be part of the permanent record of Respondent and shall be considered by the Board in determining the nature and severity of any future penalty or sanctions to be imposed in the event of any future violations of the laws, rules, or standards administered by the Board.

6. This Combined Statement of Charges and Settlement Agreement is a public record available for inspection and copying in accordance with the requirements of Iowa Code chapter 22, and will be posted to the Board's public-facing online disciplinary index and reported to and posted on the Appraisal Subcommittee (ASC) National Registry.

7. Failure to comply with the provisions of this Settlement Agreement shall be grounds for further disciplinary action pursuant to Iowa Code section 272C.3(2)(a).

8. This Settlement Agreement is subject to approval of the Board:

a) If the Board fails to approve this Settlement Agreement, 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;

b) If the Board approves this Settlement Agreement, it shall take effect upon the date of last signature, below, and govern the issues of or related to this matter.

9. This Settlement Agreement shall not preclude the Board from taking additional action against Respondent should Respondent violate the laws, rules, or standards or practice administered by the Board in the future.



**IT IS THEREFORE ORDERED:**

**A. Practice Restriction – Commercial, Agricultural, and Income**

1. Respondent shall no longer in his capacity as a certified general real estate appraiser or otherwise:
  - a. Perform any type of commercial appraisal work, including but not limited to farm appraisals; and
  - b. Perform any type of appraisal on an income producing property, or any appraisal on any other property where an income approach would need to be developed in order to produce credible assignment results.
2. Respondent agrees to never apply to the Board to lift these restrictions in the future and waives any right to do so.

**B. Education**

1. Respondent shall successfully complete within one-hundred-and-eighty (180) days of the execution of this Settlement Agreement:

- a. A fifteen (15) hour tested Residential Sales Comparison course; and
- b. A seven (7) hour Land and Site Valuation course.

Respondent shall bear any and all costs associated with these courses and may apply them towards his continuing education requirements for any subsequent renewal.

2. In addition, between the time the Board began investigating Respondent for violations of the laws, rules, and standards administered by the Board, and the Board's finding of probable cause supporting this Combined Statement of Charges and Settlement Agreement, Respondent took the following courses on his own initiative, which the Board considered in determining the amount of additional education necessary to ensure Respondent's competency as it pertains to his continued practice of non-commercial, non-income related appraisal work:

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- d. That's a Violation (four (4) hours); and
- e. 2020-2021 7-Hour National USPAP Update Course (seven (7) hours).

3. Unless Respondent otherwise provided the Board with the following required documentation prior to the execution of this Settlement Agreement, Respondent shall forward to the Board a certificate of completion or other similar documentation or confirmation demonstrating completion within ten (10) days of completion of each course required by paragraphs 1 and 2.

1. The Commission shall have the right to request the Government to provide information and documents in its possession, custody or control, or to the Commission, or to any other person, in connection with the investigation.

2. The Commission shall have the right to request the Government to take such steps as may be necessary to ensure that the Commission is able to obtain the information and documents requested.

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2. Respondent shall be obligated to compensate the reviewers for his or her time regarding such consultation at an hourly rate of \$50. Notwithstanding the foregoing, Respondent's obligation to compensate the reviewers shall not exceed a total of \$250.

3. Respondent agrees the consultation required by this Section shall not disqualify the reviewers from serving as a witness, or otherwise limit the reviewer's testimony, in any subsequent contested case(s).

### **D. Logs and Desk Review**

1. Until Respondent has complied with all terms of Sections B through D of this Settlement Agreement, Respondent shall send the Board appraisal logs on the tenth (10th) day of each month for the prior month's appraisals.

2. Approximately one-hundred-and-eighty (180) days after Respondent has completed all education in accordance with Section B (Education), above, the Board shall select two (2) appraisals from Respondent's log for review that were completed after the required education was completed. Section B (Education), above, provides the deadline within which the required education must be completed. Respondent is free, however, to escalate the time frame for completion of this Settlement Agreement by completing the education earlier than the deadline.

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either:

- a) Enter an order indicating Respondent's full compliance with Sections B through D of this Settlement Agreement; or
- b) If the desk review comments and appraisals reveal significant USPAP violations, the Board shall defer final ruling and may order additional education or desk reviews, or other rehabilitative measures. No such order will be issued without affording Respondent reasonable notice and an opportunity to request hearing.

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8. This Settlement Agreement shall not preclude the Board from filing additional charges if one (1) or more of the appraisals submitted for any desk review process contemplated hereunder demonstrate probable cause to take such an action. Respondent agrees Board review of desk review reports or appraisals subject to desk review shall not constitute "personal investigation" or otherwise disqualify a Board member from acting as a presiding officer in any subsequent contested case(s).

**Case No. 19-26**

**AGREED AND ACCEPTED:**

**Respondent**



**Darwin Holland**

10-08-2020  
**Date**

**Iowa Real Estate Appraiser Examining Board**

  
**Dan Fuhrmeister, Chair**

10/29/2020  
**Date**

STATE OF CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

Office of the  
Director of Social Services  
1601 Broadway, Suite 100  
San Francisco, CA 94133

IN THE MATTER OF  
THE ESTATE OF  
JAMES EARL RAY  
Case No. 93-10000