#### BEFORE THE CHIEF OF THE BUREAU OF REAL ESTATE APPRAISERS STATE OF CALIFORNIA

Case No. L20241014-01

#### DECISION AND ORDER

Respondent.

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Chief of the Bureau of Real Estate Appraisers, as its Decision in this matter.

This Decision shall become effective on

In the Matter of the Administrative Allegation

Real Estate Appraiser License No. 028423

of Violation Against:

Eric T. McIntyre

It is so ORDERED

Angela Jemmott

Bureau Chief

Bureau of Real Estate Appraisers

Bureau of Real Estate Appraisers 3075 Prospect Park Drive. Ste 190 2 Rancho Cordova, CA 95670 3 Telephone: (916) 610-9893 Facsimile: (916) 464-1030 4 BEFORE THE 5 CHIEF OF THE BUREAU OF REAL ESTATE APPRAISERS STATE OF CALIFORNIA 6 7 In the Matter of the Administrative Allegation of Case No. L20241014-01 Violation Against: 8 STIPULATED SETTLEMENT AND Eric T. McIntyre 9 DISCIPLINARY ORDER Real Estate Appraiser License No. 028423 10 Respondent. 11 12 In the interest of a prompt and speedy settlement of this matter, consistent with the public 13 interest and mission of the Bureau of Real Estate Appraisers ("Bureau" or "BREA"), the parties 14 hereby agree to the following Stipulated Settlement and Disciplinary Order ("Stipulated 15 Settlement") which will be submitted to the Chief of the Bureau of Real Estate Appraisers 16 ("Bureau Chief" or "Chief of BREA") for approval and adoption as the final disposition of this 17 proceeding: 18 **PARTIES** 19 Tinna Morlatt, acting on behalf of the Bureau of Real Estate Appraisers 1. 20 ("Complainant"), brings this action solely in his official capacity as Deputy Bureau Chief of 21 Enforcement for Complainant. 22 Eric T. McIntyre ("Respondent") has chosen not to exercise his right to be 2. 23 represented by counsel. 24 On or about October 31, 2001, Respondent was issued Real Estate Appraiser License 25 number 028423. Respondent's License was in full force and effect at all times relevant to the 26 attached administrative allegation of violation and, unless renewed, will expire on 27 October 30, 2025. 28

#### JURISDICTION

- 4. The Bureau initiated an investigation resulting in administrative allegations of violation.
- 5. When deemed by the Bureau Chief to be in the public interest, the Bureau Chief has the authority under Business and Professions Code section 11315.5 to enter into a settlement related to administrative allegations of violation of the Real Estate Appraisers' Licensing and Certification Law or regulations promulgated pursuant thereto, upon any terms and conditions as the Bureau Chief deems appropriate.
- 6. The administrative allegation of violation against Respondent is attached as Exhibit "A" and incorporated herein by reference.

#### **ADVISEMENT AND WAIVERS**

- 7. Respondent has carefully read and understands the charges and allegations in the administrative allegations of violation. Respondent has also carefully read and understands the effects of this Stipulated Settlement.
- 8. Respondent is fully aware of his legal rights in this matter, including the right to a hearing on the administrative allegation of violation; the right to be represented by counsel at his own expense; the right to confront and cross-examine the witnesses against him; the right to present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.
- 9. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

#### **CULPABILITY**

10. Respondent admits the truth of each and every administrative allegation of violation attached as Exhibit "A", and agrees that cause exists for discipline against his Real Estate Appraiser License.

11. Respondent agrees that his Real Estate Appraiser License is subject to discipline, and he agrees to be bound by the Bureau Chief's imposition of discipline as set forth in the following Disciplinary Order.

#### CONTINGENCY

- 12. This Stipulated Settlement shall be subject to approval by the Bureau Chief.

  Respondent understands and agrees that counsel for Complainant and Complainant's staff may communicate directly with the Bureau Chief regarding this Stipulated Settlement, without notice to or participation by Respondent or his counsel. By signing this Stipulated Settlement, Respondent understands and agrees that he may not withdraw his agreement or seek to rescind this Stipulated Settlement prior to the time the Bureau Chief considers and acts upon it. If the Bureau Chief fails to adopt this Stipulated Settlement, the Stipulated Settlement shall be of no force or effect, and, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Bureau Chief shall not be disqualified from further action by having considered this matter.
- 13. The parties understand and agree that Portable Document Format ("PDF") or facsimile copies of this Stipulated Settlement, including PDF or facsimile signatures thereto, shall have the same force and effect as the originals.
- 14. This Stipulated Settlement is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions, negotiations, and commitments (written or oral). This Stipulated Settlement may not be altered, amended, modified, supplemented, or otherwise changed except by a writing executed by an authorized representative of each of the parties.
- 15. In consideration of the foregoing admissions and stipulations, the parties agree that the Bureau Chief may, without further notice or formal proceeding, issue and enter the following Disciplinary Order:

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#### DISCIPLINARY ORDER

IT IS HEREBY ORDERED that Respondent's Real Estate Appraiser License No. 028423 is revoked. However, the revocation of Respondent's License shall be stayed, and Respondent's License shall be publicly reproved. Respondent's License shall be monitored on probation for three (3) years from the effective date of the Decision and Order on the terms and conditions described below. If Respondent fails to comply with the terms and conditions of probation, as set forth below, the Bureau may revoke Respondent's License.

- 1. Payment of Fine. Respondent shall pay a fine in the sum of Five Thousand Dollars (\$5,000.00). Respondent has the option of making:
  - (1) the entire payment within thirty (30) days of the effective date of the Decision and Order; or
  - (2) ten (10) payments of Five Hundred Dollars (\$500), with the first payment due thirty (30) days after the effective date of the Decision and Order and the remaining payments due every three (3) months thereafter.

Payment shall be made to the Real Estate Appraisers Regulation Fund, c/o Bureau of Real Estate Appraisers, 3075 Prospect Park Drive, Suite 190, Rancho Cordova, CA 95670, by check or money order and shall indicate on its face the notation: "BREA Case No. L20241014-01." Respondent shall also submit a copy of the invoice with payment, which will be provided by BREA. If full payment is not received by BREA by the date due as noted in the invoice, a ten (10) percent late penalty shall be added to the unpaid balance and interest will accrue on the unpaid balance at the pooled money investment rate in effect at that time, until the full amount is paid. Respondent shall not be eligible to renew his license until such time as full payment of the outstanding costs have been made. Failure to timely reimburse the fine shall constitute a violation of the probationary order.

3. Appraisal Log/Work Assignments. Commencing on the effective date of the Decision and Order and continuing for the entire probationary period, Respondent shall maintain a log of all appraisal and appraisal reviews Respondent performs on an Enforcement Log of Appraisal Assignments form REA 4020 ("log") provided by BREA. Respondent shall submit a

complete and accurate log listing all appraisal and appraisal reviews completed each six (6) months. If zero (0) to five (5) appraisal or appraisal reviews are completed, the log must still be completed indicating the work completed or indicating no work was completed. Each six (6) month log shall be submitted to BREA within thirty (30) days following the end of each six (6) month period. BREA may request a copy of any appraisal or appraisal review listed on any log and Respondent must provide the appraisal or appraisal review within the timeframe provided in BREA's request.

Failure to comply with the log requirements shall result in an automatic suspension of Respondent's real estate appraiser license. In order to reinstate Respondent's license, Respondent must provide BREA with the following: (i) a copy of past due log(s); (ii) completion and filing of a reinstatement application; and (iii) payment of all applicable fees, fines, or penalties.

Failure to complete a minimum of six (6) appraisal or appraisal reviews of California real property every six (6) months shall result in a tolling of Respondent's probation during the time of noncompliance. Periods during which probation is tolled shall not apply to reduction of the probationary period, suspension or any other disciplinary order or term.

- 4. Monitoring. Respondent shall be subject to, and shall permit and cooperate with, monitoring and investigation of Respondent's professional practice. Such monitoring and investigation shall be conducted by representatives of BREA.
- 5. Monitoring Costs. Respondent shall pay Four Hundred and Fifty Dollars (\$450.00) every six (6) months for the entire probationary period to compensate BREA for monitoring costs. This includes periods when zero (0) to five (5) appraisal or appraisal reviews are completed and probation is tolled. Failure to pay monitoring costs shall be a violation of probation.
- 6. Obey All Laws. Respondent shall comply with all federal, state and local laws, the Real Estate Appraisers' Licensing and Certification Law and regulations promulgated thereto, and all other laws and regulations pertaining to appraisal management companies. Additionally, if Respondent is subject to criminal court orders, Respondent shall comply with all criminal court orders, including probation.

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- 7. Comply with Probation. Respondent shall fully comply with the terms and conditions of the probation imposed by the Chief of BREA and shall cooperate fully with representatives of BREA in its monitoring and investigation of Respondent's compliance with the terms and conditions of probation.
- 8. Violation of Probation. If Respondent violates probation in any respect, the Chief of BREA, after giving Respondent notice and an opportunity to be heard, may revoke probation and carry out the disciplinary order that was stayed. If an accusation or a petition to revoke probation is filed against Respondent during probation, the Chief shall have continuing jurisdiction until the matter is final, and the period of probation shall be extended until the matter is final.
- 9. 30-Hour Basic Appraisal Principles. Respondent shall take a BREA approved minimum 30-hour education course on Basic Appraisal Principles within twelve (12) months of the effective date the Decision and Order. Respondent must submit proof of successful completion of the course within twelve (12) months following the effective date of the Decision and Order. Respondent understands that it is his responsibility to ensure that the course meets all of the requirements listed above and to make all necessary and preparatory arrangements to take the course. Educational courses imposed as a term or condition of probation by the Chief of BREA may not be credited toward Respondent's continuing education requirements required for renewal of Respondent's real estate appraiser license. Failure to comply with the education requirements as contained in this Disciplinary Order shall result in an automatic suspension of Respondent's real estate appraiser license. In order to reinstate Respondent's license if it is automatically suspended for failure to comply with the education requirement, Respondent must provide BREA with the following: (i) satisfactory verification of the completion of the education course or courses imposed; (ii) completion and filing of a reinstatement application; and (iii) payment of all applicable fees, fines, or penalties.
- 10. 30-Hour Basic Appraisal Procedures. Respondent shall take a BREA approved minimum 30-hour education course on Basic Appraisal Procedures within twelve (12) months of the effective date the Decision and Order. Respondent must submit proof of successful completion of the course within twelve (12) months following the effective date of the Decision

and Order Respondent understands that it is his responsibility to ensure that the course meets all of the requirements listed above and to make all necessary and preparatory arrangements to take the course. Educational courses imposed as a term or condition of probation by the Chief of BREA may not be credited toward Respondent's continuing education requirements required for 4 renewal of Respondent's real estate appraiser beense. Farlure to comply with the education requirements as contained in this Disciplinary Order shall result in an automatic suspension of Respondent's real estate appraiser beense. In order to reinstate Respondent's license if it is automatically suspended for failure to comply with the education requirement, Respondent must provide BRFA with the following: (i) satisfactory verification of the completion of the education 100 course or courses imposed. (ii) completion and filing of a resistance application, and (iii) payment of all applicable fees, fines, or penalties 13 ACCEPTANCE I have carefully read the above Supulated Scittement. I understand the stipulation and the 14 15 effect it will have on my License. Lenter into this Stipulated Settlement voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Bureau Chief. 16 17 DATED: 10-16-2027 18 Eric T. McIntyre 19 Respondent 20 **ENDORSEMENT** 21 22 The foregoing Stipulated Settlement is hereby respectfully submitted for the Bureau Chief's 23 consideration. 24 75 DATED: 10-17-0824 26 Tinna Morlatt

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Deputy Bureau Chief of Enforcement

Bureau of Real Estate Appraisers

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#### Exhibit A

#### Administrative Allegation of Violation - Case No. L20241014-01

On or about May 30, 2019, Respondent completed an appraisal of the property located at 15405 River Road, Guerneville CA. The report contained certain errors and omissions in violation of USPAP as follows:

- a) Respondent failed to accurately identify and report the physical characteristics of the Subject when he failed to accurately identify the number of structures and the utility of the structures on site. Specifically, Respondent reported the Subject was a 1,087 square foot one-unit residential structure with two bedrooms and one bathroom when the subject was a two-unit mix use property with a 1,152 square foot store/café' and a 1,087 square foot residential structure with two bedrooms and one bathroom (S.R. 1-2(e)(i) and S.R. 2-2(a)(iv));
- b) Respondent failed to adequately develop and report Highest and Best Use (HBU) when he failed to develop the HBU based on correct property specifications and zoning and then failed to report the rationale for the HBU conclusion (S.R. 1-3(b) and S.R. 2-2(a)(xii));
- c) Respondent failed to develop and report a credible Sales Comparison Approach (SCA) when he failed to identify comparable sales that were credible substitutes for the Subject's mixed-use improvements and failed to summarize analysis and reasoning that would support the opinion of value of the Subject's mixed-use improvements (S.R. 1-4(a) and S.R. 2-2(a)(x)(5);
- d) Respondent failed to develop and report a credible Cost Approach when he failed to develop a site value by a credible methodology, and failed to properly calculate and report external depreciation based on a busy road location (S.R. 1-4(b)(i)(iii), and S.R. 2-2 (a)(x)(5));
- e) Respondent failed to determine perform and report the Scope of Work for this assignment when he failed to obtain adequate information about the physical characteristics of the Subject to arrive at credible assignment results (Scope of Work Rule, S.R. 1-2(h) and S.R. 2-2 (a)(viii));
- f) Respondent failed to maintain a workfile for the appraisal assignment that included all true copies of all written reports and all data, information, and documentation necessary to support Respondent's opinions, conclusions, and to show compliance with USPAP (Record Keeping Rule);
- g) Based on findings a through f above, Respondent failed to correctly employ recognized methods and techniques to produce a credible appraisal (S.R. 1-1(a));
- h) Based on findings a through f above, Respondent did commit a substantial error of omission or commission that significantly affected the appraisal (S.R. 1-1(b));

- i) Based on findings a through f above, Respondent failed to set forth the appraisal clearly and accurately in a manner that was not misleading (S.R. 2-1(a));
- j) Based on findings a through f above, Respondent did not produce an appraisals report that contained sufficient information to enable the intended user of the appraisal to understand the report properly (S.R. 2-1(b)); and
- k) Based on findings a through j above, Respondent's appraisal practices represented an extreme departure from the minimum standards promulgated by the 2021 edition of the USPAP, and, as such represented Gross Negligence (Conduct section of the Ethics Rule).

On or about March 10, 2022, Respondent completed an appraisal of the property located at 15405 River Road, Guerneville CA. The report contained certain errors and omissions in violation of USPAP as follows:

- a) Respondent failed to accurately identify and report the physical characteristics of the Subject when he failed to accurately identify the number of structures and the utility of the structures on site. Specifically, Respondent reported the Subject was a 2,239 square foot one-unit residential structure with two bedrooms and one bathroom when the subject was a two-unit mix use property with a 1,152 square foot store/café' and a 1,087 square foot residential structure with two bedrooms and one bathroom. Respondent also failed to identify and report the legal characteristics of the Subject when he reported an incorrect zoning (S.R. 1-2(e)(i) and S.R. 2-2(a)(iv));
- b) Respondent failed to adequately develop and report HBU when he failed to develop the HBU based on correct property specifications and zoning and then failed to report the rationale for the HBU conclusion (S.R. 1-3(b) and S.R. 2-2(a)(xii));
- c) Respondent failed to develop and report a credible Sales Comparison Approach (SCA) when he failed to identify comparable sales that were credible substitutes for the Subject's mixed-use improvements and failed to summarize analysis and reasoning that would support the opinion of value of the Subject's mixed-use improvements (S.R. 1-4(a) and S.R. 2-2(a)(x)(5));
- d) Respondent failed to develop and report a credible Cost Approach when he failed to report a site value, failed to develop and report a credible estimation of the cost to reproduce or replace the Subject's improvements, and failed to properly calculate and report external depreciation based on a busy road location (S.R. 1-4(b)(i)(ii)(iii), S.R. 2-2 (a)(x)(4), and S.R. 2-2 (a)(x)(5));
- e) Respondent failed to reconcile the quality and quantity of data used within the SCA and Cost Approach to value when he failed to provide statements that spoke to the quality and quantity of data used within the approaches to value (S.R. 1-6(a) and S.R. 2-2(a)(x)(5));
- f) Respondent failed to determine perform and report the Scope of Work for this assignment when he failed to obtain adequate information about the physical characteristics of the Subject to arrive at credible assignment results (Scope of Work Rule, S.R. 1-2(h) and S.R. 2-2 (a)(viii));

	III.		
1	g)	Respondent failed to identify the appraisal reporting option, failed to disclose prior services, and failed to provide the exposure time for the Subject when he included, but failed to fill out the USPAP addendum in the appraisal report, and when he failed to disclose a prior service at the Subject that did occur within the 3 years preceding this appraisal (S.R. 2-2, Conduct section of the Ethics Rule, S.R. 1-2(c)(iv), and	
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4	9.07	S.R. 2-2(a)(iv));	
5	h)	Respondent failed to maintain a workfile for the appraisal assignment that included all true copies of all written reports and all data, information, and documentation necessary to support Respondent's opinions, conclusions, and to show compliance with USPAP (Record Keeping Rule);	
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8	(i	<ul> <li>i) Based on findings a through h above, Respondent failed to correctly employ recognized methods and techniques to produce a credible appraisal (S.R. 1-1(a));</li> </ul>	
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10	j)	Based on findings a through h above, Respondent did commit a substantial error of omission or commission that significantly affected the appraisal (S.R. 1-1(b));	
11	k)	Based on findings a through h above, Respondent failed to set forth the appraisal clearly	
	and accurately in a manner that was not misleading (S.R. 2-1(a));		
13	<ol> <li>Based on findings a through h above, Respondent did not produce an appraisals report t contained sufficient information to enable the intended user of the appraisal to understate the report properly (S.R. 2-1(b)); and</li> </ol>	Based on findings a through h above, Respondent did not produce an appraisals report that	
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15		Based on findings a through I above, Respondent's appraisal practices represented an extreme departure from the minimum standards promulgated by the 2021 edition of the USPAP, and, as such represented Gross Negligence (Conduct section of the Ethics Rule)	
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