## BEFORE THE WEST VIRGINIA REAL ESTATE APPRAISER LICENSING AND CERTIFICATION BOARD

WEST VIRGINIA REAL ESTATE APPRAISER LICENSING AND CERTIFICATION BOARD,

Complainant,

V.

Complaint No. S-19-001

DOUGLAS S. BUTCHER, License No. CG126

Respondent.

#### CONSENT DECREE

Respondent Douglas S. Butcher ("Respondent") and the West Virginia Real Estate Appraiser Licensing and Certification Board ("Board") enter into the following Consent Decree for the purpose of resolving the above-styled complaint. As reflected in this Consent Decree, the parties have reached an agreement in which Respondent agrees and stipulates to the Findings of Fact, Conclusions of Law, and disposition of this matter. The Board, having approved such agreement, does hereby Find and Order as follows:

#### FINDINGS OF FACT

- 1. Respondent is a licensed real estate appraiser, holding license CG126.
- 2. In October of 2018, Respondent entered into a written contract with Jerry L. Hedrick of Seneca Rocks, West Virginia, in which Respondent agreed to provide appraisal services for

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certain properties listed in the contract. According to the contract, Mr. Hedrick intended to use the appraisal report(s) for "internal decision making purposes related to [his] divorce proceedings."

- 3. In exchange for Respondent's services, Mr. Hedrick agreed to pay Respondent a fee in the amount of \$10,000. The contract required that Mr. Hedrick pay a retainer in the amount of \$4,500 upon the parties signing the contract, with the balance of \$5,500 due upon your completion and delivery of the report(s).
- 4. Upon information and belief, Mr. Hedrick's former wife also paid a retainer to Respondent in the amount of \$4,500.
- 5. On October 2, 2018, Mr. Hedrick signed the contract and delivered to Respondent a personal check in the amount of \$4,500.
- 6. Respondent signed the contract on October 9, 2018. Mr. Hedrick received a copy of the fully-executed contract on or about October 19, 2018. The contract required that Respondent deliver the appraisal report(s) within 30 days.
- 7. On May 10, 2019, Mr. Hedrick submitted an "Allegation Form" to the Board in which he alleged that Respondent had neither performed the appraisal services for which he paid the retainer nor had Respondent returned his retainer.
- 8. Upon information and belief, Mr. Hedrick had to obtain the services of another licensed appraiser to perform the services that Respondent agreed to perform in the October 2018 contract.
- 9. During the course of the Board's review of Mr. Hedrick's allegation, the Board discovered that Respondent's certified general real estate appraisal license had expired due to

Respondent's failure to properly renew his license for the 2018-2019 licensure term (October 1, 2018 – September 30, 2019). Specifically, the deadline for renewal for the 2018-2019 term was 30 days prior to the end of the term, or September 1, 2018. Respondent failed to submit his renewal application for the 2018-2019 licensure term until October 5, 2018, and that application was deemed incomplete by the Board staff and not renewed at that time on either active or inactive status. Accordingly, Respondent's certified general real estate appraisal license expired on October 1, 2018.

- 10. Therefore, the Board contends that at the time Respondent entered into the contract to perform appraisal services for Mr. Hedrick, his certified general real estate appraisal license was expired.
- 11. On November 7, 2019, the Board initiated the above-referenced complaint based upon Mr. Hedrick's allegation that (1) Respondent failed to perform the services for which he was paid the retainer or return the retainer, and that (2) Respondent contracted to perform appraisal services when his license to do so was expired.
- 12. Respondent received the complaint on November 25, 2019, and was required to submit a written response, or waive the right to do so, within 20 days.
- 13. Respondent submitted his response to the Board on January 21, 2020. Respondent included documentation evidencing that he returned the Hedricks' retainer in the amount of \$9,000 to the Circuit Clerk of the Circuit Court of Raleigh County on December 11, 2019. The Board staff confirmed the court's receipt of the funds. Respondent also disputed that his license had expired at the time he contracted with Mr. Hedrick; Respondent asserted that he renewed his license for the 2018-2019 on inactive status.

#### **CONCLUSIONS OF LAW**

- 1. Under West Virginia Code § 30-38-12(a)(3), the Board is authorized to deny issuance or renewal of a license or certification or take disciplinary action for "[a]n act or omission in the practice of real estate appraising which constitutes dishonesty, fraud or misrepresentation with the intent to substantially benefit the licensee or another person or with the intent to substantially injure another person[.]"
- 2. Respondent's contracting with Mr. Hedrick to perform appraisal services at the time when Respondent's certified general real estate appraisal license was either expired (as the Board contends) or inactive (as Respondent contends) violates West Virginia Code § 30-38-12(a)(3).
- 3. Under West Virginia Code § 30-38-12(a)(7), the Board is authorized to deny issuance or renewal of a license or certification or take disciplinary action for a "[v]iolation of any section of [the Real Estate Appraiser Licensing and Certification Act] or any rule of the board[.]" West Virginia Code § 30-38-17 requires that "[e]ach real estate appraiser licensed or certified under this act shall comply with generally accepted standards of professional appraisal practice and generally accepted ethical rules to be observed by the real estate appraiser." The practice and ethical standards are memorialized by the Appraisal Foundation in the Uniform Standards of Professional Appraisal Practice (USPAP). The USPAP Ethics Rules state "[a]n appraiser must not advertise for or solicit assignments in a manner that is false, misleading, or exaggerated."
- 4. Contracting with Mr. Hedrick to perform appraisal services at the time when Respondent's certified general real estate appraisal license was either expired or inactive violates the above-quoted USPAP Ethics Rule.

#### **CONSENT**

By signing below, Respondent agrees to the following:

- 1. Respondent has had the opportunity to consult with counsel and executes this Consent Decree voluntarily, freely, without compulsion or duress and mindful that it has legal consequences. No person or entity has made any promise or given any inducement whatsoever to encourage Respondent to make this settlement other than as set forth herein. Respondent acknowledges that he may pursue this matter through appropriate administrative proceedings and is aware of his legal rights regarding this matter, but intelligently and voluntarily waives such rights.
- 2. Respondent acknowledges the Findings of Fact set forth above, admits that there is probable cause to conclude that the violations set forth above in the Conclusions of Law occurred, and consents to the entry of the following Order:

#### **ORDER**

On the basis of the foregoing, the Board hereby ORDERS as follows:

- 1. Respondent is reprimanded and shall pay a fine in the amount of \$2,500, payable to the State of West Virginia by certified check and submitted to the Board within 60 days of the entry of this Consent Decree by the Board;
- 2. Respondent shall complete a 15-hour in-classroom USPAP course within 120 days of the entry of this Consent Decree by the Board. The course required by this term shall be in addition to the required education necessary for the annual renewal of Respondent's license. Upon completion of the course required by this term, Respondent shall submit to the Board documentation evidencing such completion.

- 3. Any failure by Respondent to comply with the terms of this Consent Decree, without the prior written consent of the Board, may result in the immediate suspension of Respondent's license until such time as Respondent achieves compliance.
- 4. In the event Respondent contests the alleged violation of this Consent Decree, Respondent may request a hearing to challenge the alleged violation only. Any such hearing shall be scheduled and conducted in accordance with the provisions of W. Va. Code §§ 30-1-8 and 30-38-1 et seq. and any procedural rules promulgated by the Board.

CONSENT DECREE AGREED TO BY:	
	05/15/2020
Do iglas S. Butcher	Date

ENTERED into the records of the Real Estate Appraiser Licensing and Certification Board this:

26 day of August, 2020.

WEST VIRGINIA REAL ESTATE APPRAISER LICENSING AND CERTIFICATION BOARD,

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Dean E. Dawson, Chair

## BEFORE THE WEST VIRGINIA REAL ESTATE APPRAISER LICENSING AND CERTIFICATION BOARD

# WEST VIRGINIA REAL ESTATE APPRAISER LICENSING AND CERTIFICATION BOARD, Complainant,

V.

Complaint No. S-19-001

DOUGLAS S. BUTCHER, License No. CG126

Respondent.

#### **ORDER SUSPENDING LICENSE**

On January 20, 2021, the West Virginia Real Estate Appraiser Licensing and Certification Board ("Board") met and considered Respondent Douglas S. Butcher's ("Respondent") non-compliance with the Consent Decree entered in this matter on August 26, 2020, resolving the above-styled Complaint. The Board unanimously voted to suspend Respondent's license number CG126 for the following reasons:

- 1. On August 26, 2020, Respondent and the Board entered into a Consent Decree resolving the above-styled Complaint.
- 2. In Paragraph 2, Page 5, of the Consent Decree, the Board ordered and the Respondent agreed to the following term:

Respondent shall complete a 15-hour in-classroom USPAP course within 120 days of the entry of this Consent Decree by the Board. The course required by this term shall be in addition to the required education necessary for the annual renewal of Respondent's license. Upon completion of the course required by this term, Respondent shall submit to the Board documentation evidencing such completion.

- 3. The deadline for compliance with this term was December 24, 2020.
- 4. To date, Respondent has not complied, and the Board has not consented in writing to modification of the Consent Decree.
- 5. In Paragraph 3, Page 5, the Consent Decree states as follows with respect to the result of Respondent's non-compliance:

Any failure by Respondent to comply with the terms of this Consent Decree, without the prior written consent of the Board, may result in the immediate suspension of Respondent's license until such time as Respondent achieves compliance.

6. The Board is mindful of the impact the Coronavirus has had on the availability of

in-classroom continuing education courses. However, records provided to the Board by the

Appraisal Institute indicate that it provided the 15-hour in-classroom National USPAP course on

three occasions during the 120-day period set forth in the Consent Decree. Specifically, the

Appraisal Institute provided the course on October 16-17, 2020, in Woburn, MA; on November 9-

10, 2020, in Chicago, IL; and on November 9-10, 2020, in Indianapolis, IN. Respondent's

attendance at any of these three courses would have achieved compliance with the Consent Decree.

7. Records of the Appraisal Institute further indicate it is providing the 15-hour

National USPAP course on the following dates in the future: March 5-6, 2021, in Norwood, MA;

March 8-9, 2021, in Indianapolis, IN; March 22-23, 2021, in Chicago, IL; April 19-20, 2021, by

virtual classroom; June 18-19, 2021, in Pittsburgh, PA; and June 21-22, 2021, in Nashville, TN.

Accordingly, based on Respondent's failure to comply with the August 26, 2020, Consent

Decree, the Board hereby SUSPENDS Respondent's license number CG126, effective upon

issuance of this Order, until such time as Respondent submits to the Board written documentation

that he has successfully completed the 15-hour in-classroom USPAP course as required by the

Consent Decree. Until such time, Respondent shall not engage in the practice of real estate

appraisal.

ISSUED this 21st day of January, 2021

Dean E. Dawson, Chair

West Virginia Real Estate Appraiser Licensing and Certification Board

### West Virginia Real Estate Appraiser Licensing and Certification Board

405 Capitol Street, Suite 906 Charleston, West Virginia 25301 Telephone 304.558.3919 FAX 304.558.3983 www.appraiserboard.wv.gov



Dean E. Dawson Board Chair

Patricia Rouse Pope Executive Director

March 24, 2021

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Douglas S. Butcher PO Box 5264 Beckley, West Virginia 25801

Re: W. Va. Real Estate Appraiser Licensing and Certification Board v. Butcher

Complaint No. S19-001

Dear Mr. Butcher:

The certificates attached to your email illustrating successful completion of an in-classroom 15-hour USPAP Course with exam were received on March 19, 2021. WVREALC Board legal counsel concluded you have met the terms of the Consent Decree. The suspension placed on your certification number CG126 on January 21, 2021 was lifted effective at midnight March 23, 2021 and the matter of Complaint S19-001 is now closed.

Sincerely,

Patricia Rouse Pope Executive Director