

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
233 RICHMOND STREET
PROVIDENCE, RHODE ISLAND 02903

IN THE MATTER OF	:	
	:	
DYLAN KELLEY,	:	DBR No. 06-L-0205
	:	DBR No. 07-L-0302
RESPONDENT.	:	
	:	

CONSENT ORDER

The Department of Business Regulation ("Department") and Dylan Kelley ("Respondent") hereby agree that:

1. Respondent is a Licensed Appraiser, License Number A00927L, issued October 27, 2005, pursuant to R.I. Gen. Laws § 5-20.7-1, *et seq.* ("License").
2. The Real Estate Appraisers' Board ("Board") investigated two complaints filed against Respondent. The first complaint involved Respondent's appraisal of the property located at 167 Rock Hill Road, Coventry, Rhode Island 02816, dated April 15, 2005 ("Complaint #1). The second complaint involved Respondent's appraisal of the property located at 18-20 Daniel Avenue, Providence, Rhode Island 02908, dated October 27, 2006 ("Complaint #2). The two complaints are not related to each other.
3. After investigating Complaint #1, the Board found probable cause that Respondent violated the Uniform Standards of Professional Appraisal Practice ("USPAP").
4. In an effort to resolve Complaint #1 informally, the Board voted on February 1, 2006 to monitor and review Respondent's work product until the Board was

assured that Respondent had a proper understanding of appraisal principles and procedures.

5. On behalf of the Board, the Department sent a letter to Respondent on March 1, 2006 to inform him that the Board would be reviewing his work product and request that he provide a list of properties appraised to the Board monthly.

6. In response to the Board's request, Respondent provided a list of appraisals for the following months:

- March 2006 (in a letter dated April 13, 2006)
- April and May 2006 (in a letter dated May 30, 2006)
- July 2006 (in a letter received August 16, 2006)
- December 2006 (in a letter dated January 9, 2007)

7. At the request of the Board, the Department sent Respondent a letter dated June 7, 2006 requiring him to provide five (5) appraisals from the previously submitted lists for the Board's review. Respondent submitted the requested appraisal reports with a letter dated June 13, 2006.

8. At the October 4, 2006 meeting, the Board reported that it reviewed the submitted appraisal reports and found Respondent's work to be substandard. The Board requested that Respondent attend the next Board meeting to discuss its findings.

9. Respondent met with the Board on November 8, 2006 to answer questions regarding the appraisal reports that he submitted. Following his appearance, the Board voted to authorize the Department to prepare a consent agreement that required Respondent to: (i) attend classroom education, including a Basic Appraisal course and a

15-hour USPAP course, (ii) affiliate with a certified appraiser who can review his appraisal work, and (iii) continue to submit appraisal reports for the Board's review.

10. Respondent through his counsel agreed to those terms on December 4, 2006 and asked for forty-five (45) days to find a certified appraiser with whom he could affiliate. The Board approved the forty-five (45) day period at the December 6, 2006 meeting.

11. In a letter dated February 5, 2007, Respondent through his counsel provided the name of an appraiser willing to oversee Respondent's work product. At the February 7, 2007 meeting, the Board rejected the appraiser proffered by Respondent because he was not licensed as a certified residential or certified general appraiser. The Board voted to provide Respondent with an additional thirty (30) days to secure another reviewer.

12. In a letter dated March 7, 2007, the Department informed Respondent's counsel that, at the March 7, 2007 meeting, the Board voted to provide Respondent another extension until April 4, 2007 to find a certified residential or general appraiser to review his work and requested a list of Respondent's appraisals completed since January 1, 2007.

13. On the morning of April 4, 2007, Respondent's counsel informed the Department that Respondent has been unable to secure a certified residential or general appraiser to review his work.

14. At the April 4, 2007 meeting, the Board voted to initiate the administrative hearing process to sanction Respondent's license.

15. On April 10, 2007, the Department issued a Notice of Intent to Revoke License and Provide Opportunity for a Hearing. Respondent filed a timely request for a hearing on April 30, 2007.

16. Pursuant to R.I. Gen. Laws § 5-20.7-19, a licensed real estate appraiser must comply with USPAP promulgated by the appraisal standard board of the Appraisal Foundation.

17. Pursuant to R.I. Gen. Laws § 5-20.7-18(c), all records required to be maintained under the provisions of this chapter shall be made available for inspection by the Board on reasonable notice to the appraiser

18. Based on Complaint #1 and the foregoing, the Department has sufficient evidence that Respondent violated R.I. Gen. Laws §§ 5-20.7-18(c) and 5-20.7-19 and has cause to initiate administrative proceedings to sanction Respondent's License via suspension or revocation pursuant to R.I. Gen. Laws § 5-20.7-20(2).

19. After investigating Complaint #2, the Board found that Respondent's appraisal did not violate USPAP. However, in a report to the Board dated November 5, 2007, the investigating Board member found that Respondent's work product contained certain minor errors and inconsistencies that indicated a lack of attention to detail and a need for improvement.

20. In an effort to resolve the above-referenced matters, effect a timely and amicable resolution of the issues raised in this Consent Order, and allow Respondent to maintain his license in good-standing, Respondent understands and agrees to the following:

- a. Respondent acknowledges the violations set forth in Paragraph 18;

- b. Respondent acknowledges the errors set forth in Paragraph 19;
- c. For a period of six (6) months beginning on the execution and delivery of this Consent Order, Respondent shall submit his work product, including his final report, for each property appraised prior to the appraisal's effective date to S. Keith White ("White") for feedback;
- d. With respect to receiving and acting upon White's feedback, Respondent shall comply with any and all parameters that White sets forth;
- e. White's willingness to provide feedback for Respondent shall not be construed as an affiliation with White or White Appraisal Co., Inc., as an appraiser, associate, trainee, or otherwise;
- f. White shall not be Respondent's supervisory appraiser and will not sign any appraisal as such;
- g. Regardless of any feedback provided, White shall not be responsible or liable for any errors or omissions found in Respondent's final appraisal reports or his work product;
- h. White is not a party to this Consent Order and therefore may end his participation as a provider of feedback at anytime;
- i. Respondent shall enroll and successfully complete a sales comparison course within the next six (6) months;
- j. Respondent shall enroll and successfully complete a 15-hour USPAP course within the next six (6) months;

k. This Consent Order shall not operate to shield Respondent from liability or enforcement actions arising from future activities related to or effecting his licensure as an appraiser; and

l. With respect to Complaint #1 and Complaint #2, referenced *supra*, Respondent voluntarily waives his right to the hearing process and voluntarily waives his right to appeal to Superior Court to allow him to maintain his License in good standing.

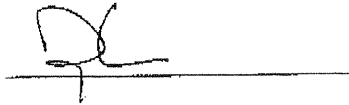
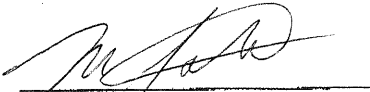
21. If Respondent fails to abide by any of the requirements of this Consent Order, the Department will initiate administrative proceedings to impose penalties against Respondent including, but not limited to: (i) suspension, (ii) revocation, and/or (iii) such additional administrative penalties as deemed appropriate by the Department. Respondent shall be provided with notice and opportunity for hearing should the Department decide to take such further action.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

THE DEPARTMENT AND RESPONDENT HEREBY CONSENT AND AGREE TO THE FOREGOING AS TO FORM AND SUBSTANCE:

Department of Business Regulation
By its Legal Counsel:

Dylan Kelley, Respondent
By:

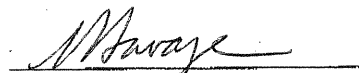


Michael P. Jolin
Department of Business Regulation

Date: 3-5-08

Date: 2/12/08

Recommended by:



Neena Sinha Savage, Esq.
Hearing Officer

Date: 3-5-08

ORDER

I have read the Hearing Officer's Recommendation in this matter, and I hereby take the following action with regard to the Recommendation:

- ADOPT
- REJECT
- MODIFY



Michael Marques
Director

Date: 3-07-2008