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7
8 **BEFORE THE**
DIRECTOR OF THE OFFICE OF REAL ESTATE APPRAISERS
9 **STATE OF CALIFORNIA**

10
11 In the Matter of the Accusation and Petition to
Revoke Probation Against:

Case No. C 071016-01

OAH No. 2012020947

12 **FARAH H. GULPARAST**
13 **791 Saffron Drive**
14 **Tracy, CA 95377**

**STIPULATED SURRENDER OF
LICENSE AND ORDER**

15 **Real Estate Appraiser License No. AL**
038505

16 Respondent.

17
18 In the interest of a prompt and speedy resolution of this matter, consistent with the public
19 interest and the responsibility of the Director of the Office of Real Estate Appraisers the parties
20 hereby agree to the following Stipulated Surrender of License and Order which will be submitted
21 to the Director for approval and adoption as the final disposition of the Accusation and Petition to
22 Revoke Probation.

23 PARTIES

24 1. Elizabeth Seaters is the Chief of Enforcement of Complainant, the Office of Real
25 Estate Appraisers. She brought this action solely in her capacity and is represented in this matter
26 by Kamala D. Harris, Attorney General of the State of California, by Char Sachson, Deputy
27 Attorney General.

1 documents; the right to reconsideration and court review of an adverse decision; and all other
2 rights accorded by the California Administrative Procedure Act and other applicable laws.

3 8. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
4 every right set forth above.

5 CULPABILITY

6 9. Respondent admits the truth of each and every charge and allegation in Accusation
7 and Petition to Revoke Probation No. C 071016-01, agrees that cause exists for discipline and
8 hereby surrenders her Real Estate Appraiser License No. AL 038505 for the Director's formal
9 acceptance.

10 10. Respondent understands that by signing this stipulation she enables the Director to
11 issue his order accepting the surrender of her Real Estate Appraiser License without further
12 process.

13 11. Respondent understands and agrees that, by signing this Stipulated Settlement, the
14 Director will treat any application for licensure, or certificate of registration as an appraisal
15 management company, or petition for reinstatement as a new application for licensure.

16 12. Respondent understands and acknowledges that, pursuant to Business and Professions
17 Code section 11409(c)(2), the Office of Real Estate Appraisers is not authorized to accept a new
18 application from Respondent for licensure or certification until such time that payment of the
19 costs of investigation, enforcement and prosecution of this case, as imposed by this order, is
20 received in full.

21 CONTINGENCY

22 12. This stipulation shall be subject to approval by the Director or his designee.
23 Respondent understands and agrees that counsel for Complainant and the staff of the Office of
24 Real Estate Appraisers may communicate directly with the Director and staff of the Office of
25 Real Estate Appraisers regarding this stipulation and surrender, without notice to or participation
26 by Respondent. By signing the stipulation, Respondent understands and agrees that she may not
27 withdraw her agreement or seek to rescind the stipulation prior to the time the Director considers
28 and acts upon it. If the Director fails to adopt this stipulation as the Decision and Order, the

1 Stipulated Surrender and Disciplinary Order shall be of no force or effect, except for this
2 paragraph, it shall be inadmissible in any legal action between the parties, and the Director shall
3 not be disqualified from further action by having considered this matter.

4 13. The parties understand and agree that facsimile copies of this Stipulated Surrender of
5 License and Order, including facsimile signatures thereto, shall have the same force and effect as
6 the originals.

7 14. This Stipulated Surrender of License and Order is intended by the parties to be an
8 integrated writing representing the complete, final, and exclusive embodiment of their agreement.
9 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,
10 negotiations, and commitments (written or oral). This Stipulated Surrender of License and Order
11 may not be altered, amended, modified, supplemented, or otherwise changed except by a writing
12 executed by an authorized representative of each of the parties.

13 15. In consideration of the foregoing admissions and stipulations, the parties agree that
14 the Director may, without further notice or formal proceeding, issue and enter the following
15 Order:

16 **ORDER**

17 IT IS HEREBY ORDERED that Real Estate Appraiser License No. AL 038505, issued to
18 Respondent Farah H. Gulparast, is surrendered and accepted by the Director of the Office of Real
19 Estate Appraisers.

20 1. The surrender of Respondent's Real Estate Appraiser License and the acceptance of
21 the surrendered license by the Director shall constitute the imposition of discipline against
22 Respondent. This stipulation constitutes a record of the discipline and shall become a part of
23 Respondent's license history with the Office of Real Estate Appraisers.

24 2. Respondent shall lose all rights and privileges as a Real Estate Appraiser in California
25 as of the effective date of the Director's Decision and Order.

26 3. Respondent shall cause to be delivered to the Director her pocket license and, if one
27 was issued, her wall certificate on or before the effective date of the Decision and Order.
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ENDORSEMENT

The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted for consideration by the Director of the Office of Real Estate Appraisers.

Dated: 1/22/13

Respectfully submitted,

KAMALA D. HARRIS
Attorney General of California
FRANK H. PACOE
Supervising Deputy Attorney General

Original Signed

CHAR SACHSON
Deputy Attorney General
Attorneys for Complainant

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Exhibit A

Accusation and Petition to Revoke Probation No. C 071016-01

**BEFORE THE
DIRECTOR OF THE OFFICE OF REAL ESTATE APPRAISERS
STATE OF CALIFORNIA**

In the Matter of the Accusation and Petition to
Revoke Probation Against:

FARAH H. GULPARAST
791 Saffron Drive
Tracy, CA 95377

**Real Estate Appraiser License No. AL
038505**

Respondent.

Case No. C 071016-01

OAH No. 2012020947

DECISION AND ORDER

The attached Stipulated Surrender of License and Order is hereby adopted by the Director of the Office of Real Estate Appraisers, as its Decision in this matter.

This Decision shall become effective on 2-13-13.

It is so ORDERED 2-13-13.

Original Signed

FOR THE DIRECTOR OF THE OFFICE OF REAL ESTATE
APPRAISERS

1 KAMALA D. HARRIS
Attorney General of California
2 FRANK H. PACOE
Supervising Deputy Attorney General
3 CHAR SACHSON
Deputy Attorney General
4 State Bar No. 161032
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8 **BEFORE THE**
DIRECTOR OF THE OFFICE OF REAL ESTATE APPRAISERS
9 **STATE OF CALIFORNIA**

10 In the Matter of the Accusation and Petition to
11 Revoke Probation Against:

Case No. C 071016-01

12 **FARAH H. GULPARAST**
13 **791 Saffron Drive**
Tracy, CA 95377

OAH No. 2012020947

ACCUSATION AND PETITION TO
REVOKE PROBATION

14 **Real Estate Appraiser License No. AL**
15 **038505**

16 Respondent.

17 Complainant alleges:

18 **ACCUSATION**

19 **PARTIES**

20 1. Elizabeth Seaters, acting on behalf of the Office of Real Estate Appraisers
21 (Complainant), brings this Accusation solely in her official capacity as Chief of Enforcement for
22 Complainant.

23 2. On or about April 4, 2007, the Director of the Office of Real Estate Appraisers issued
24 Real Estate Appraiser License Number AL 038505 to Farah H. Gulparast (Respondent). The
25 Real Estate Appraiser License expired on November 27, 2009, and has not been renewed.

26 **JURISDICTION**

27 3. This Accusation is brought before the Director of the Office of Real Estate Appraisers
28

1 (Director), under the authority of the following laws. All section references are to the Business
2 and Professions Code unless otherwise indicated.

3 4. Business and Professions Code section 11313 states, in pertinent part:

4 "The office [Office of Real Estate Appraisers] is under the supervision and control of the
5 secretary [secretary of the Business, Transportation and Housing Agency]. The duty of enforcing
6 and administering this part is vested in the director [director of the Office of Real Estate
7 Appraisers] and he or she is responsible to the secretary therefore. The director shall adopt and
8 enforce rules and regulations as are determined reasonably necessary to carry out the purposes of
9 this part."

10 5. Business and Professions Code section 11316, subdivision (a) states:

11 "(a) The director may assess a fine against a licensee, applicant for licensure, person who
12 acts in a capacity that requires a license under this part, course provider, applicant for course
13 provider accreditation, or a person who, or entity that, acts in a capacity that requires course
14 provider accreditation for violation of this part or any regulations adopted to carry out its
15 purposes."

16 6. Business and Professions Code section 11319 states:

17 "Notwithstanding any other provision of this code, the Uniform Standards of Professional
18 Appraisal Practice constitute the minimum standard of conduct and performance for a licensee in
19 any work or service performed that is addressed by those standards. If a licensee also is certified
20 by the Board of Equalization, he or she shall follow the standards established by the Board of
21 Equalization when fulfilling his or her responsibilities for assessment purposes."

22 7. Business and Professions Code section 11328 states, in pertinent part:

23 "To substantiate documentation of appraisal experience, or to facilitate the investigation of
24 illegal or unethical activities by a licensee, applicant, or other person acting in a capacity that
25 requires a license, that licensee, applicant, or person shall, upon the request of the director, submit
26 copies of appraisals, or any work product which is addressed by the Uniform Standards of
27 Professional Appraisal Practice, and all supporting documentation and data to the OREA."
28

1 8. California Code of Regulations, title 10, section 3701 states:

2 "Every holder of a license under this part shall conform to and observe the Uniform
3 Standards of Professional Appraisal Practice (USPAP) and any subsequent amendments thereto
4 as promulgated by the Appraisal Standards Board of The Appraisal Foundation which standards
5 are herein incorporated into these regulations by reference as if fully set forth herein."

6 9. California Code of Regulations, title 10, section 3702(a) states:

7 "(a) The Director finds and declares as follows:

8 "(1) That the profession of real estate appraisal is vested with a fiduciary relationship of
9 trust and confidence as to clients, lending institutions, and both public and private guarantors or
10 insurers of funds in federally-related real estate transactions and that the qualifications of honesty,
11 candor, integrity, and trustworthiness are directly and substantially related to and indispensable to
12 the practice of the appraisal profession;

13 "(2) That registered Appraisal Management Companies are vested with a relationship of
14 trust and confidence as to their clients, lending institutions, and both public and private guarantors
15 or insurers of funds in federally-related real estate transactions and that the qualifications of
16 honesty, candor, integrity, and trustworthiness are directly and substantially related to and
17 indispensable to their business operations; and

18 "(3) Every holder of a license to practice real estate appraisal, Registrant, Controlling
19 Person of an Appraisal Management Company, or person or entity acting in a capacity requiring a
20 license or Certificate of Registration shall be required to demonstrate by his or her conduct that he
21 or she possesses the qualifications of honesty, candor, integrity, and trustworthiness."

22 10. California Code of Regulations, title 10, section 3721 states:

23 "(a) The Director may issue a citation, order of abatement, assess a fine or private or public
24 reproof, suspend or revoke any license or Certificate of Registration, and/or may deny the
25 issuance or renewal of a license or Certificate of Registration of any person or entity acting in a
26 capacity requiring a license or Certificate of Registration who has:

27 "(1) Been convicted of a felony or any crime which is substantially related to the
28 qualifications, functions, or duties of the profession of real estate appraisal;

1 "(2) Done any act involving dishonesty, fraud or deceit with the intent to benefit himself or
2 another, or to injure another;

3 "(3) Been convicted for a commission or solicitation of a criminal act which involved or
4 threatened bodily harm to others;

5 "(4) Done any act which if done by the holder of a license to practice real estate appraisal
6 would be grounds for revocation or suspension of such license;

7 "(5) Knowingly made a false statement of material fact required to be disclosed in an
8 application for a license authorizing the practice of real estate appraisal;

9 "(6) Violated any provision of USPAP;

10 "(7) Violated any provision of the Real Estate Appraisers' Licensing and Certification Law,
11 Part 3 (commencing with Section 11300) of Division 4 of the Business and Professions Code, or
12 regulations promulgated pursuant thereto; or any provision of the Business and Professions Code
13 applicable to applicants for or holders of licenses authorizing appraisals;

14 "(8) Been prohibited from participating in the affairs of an insured depository institution
15 pursuant to Section 19(a) of the Federal Deposit Insurance Act (12 U.S.C. Section 1829.); or

16 "(9) Submitted a financial instrument to OREA for the payment of any fee, fine or penalty
17 which instrument is subsequently dishonored by the issuing institution due to an act or omission
18 of that person.

19 "(b) Before issuing any private or public reproof or denying, suspending, or revoking any
20 license or Certificate of Registration issued or issuable under the provisions of the Real Estate
21 Appraisers Licensing and Certification Law or these regulations, the Office shall proceed as
22 prescribed by Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of
23 the Government Code (the Administrative Procedure Act) and the Office shall have all the
24 powers granted therein.

25 "(c) Any person issued a citation containing a fine or order of abatement may contest the
26 citation by filing a written notice with the Office within 30 calendar days that states with
27 specificity the basis of the appeal. Upon receipt of such notice, the Office shall proceed as
28 prescribed by Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of

1 the Government Code (the Administrative Procedure Act) and the Office shall have all the
2 powers granted therein."

3 11. California Code of Regulations, title 10, section 3722 states:

4 "(a) A crime or act shall be deemed to be substantially related to the qualifications,
5 functions or duties of an appraiser if, to a substantial degree, it evidences present or potential
6 unfitness of a person holding a license to perform the functions authorized by his/her license. The
7 crimes or acts include, but are not limited to, the following:

8 "(1) Crimes or Acts involving the use of fraud, deceit or dishonesty for profit or gain;

9 "(2) Taking, appropriating or retaining the funds or property of another;

10 "(3) Forging, counterfeiting or altering any instrument affecting the rights or obligations of
11 another;

12 "(4) Evasion of a lawful debt or obligation, including but not limited to tax obligations;

13 "(5) Traffic in any narcotic or controlled substance in violation of law;

14 "(6) Driving under the influence of alcohol or drugs, while conducting business related to
15 real estate appraisals; conviction of felony driving under the influence of alcohol or drugs; or
16 conviction of two or more misdemeanor driving under the influence of alcohol or drugs within
17 any three year period, whether or not while conducting business:

18 "(7) Violation of a relation of trust or confidence;

19 "(8) Theft of personal property or funds;

20 "(9) Crimes or acts of violence or threatened violence against persons or property;

21 "(10) The commission of any crime or act punishable as a sexually related crime, if that
22 crime or act is substantially related to the duties and functions of the licensee; or

23 "(11) Misrepresentation of facts or information on the appraisal license application and/or
24 cheating on the examination.

25 "(b) An act or crime shall be deemed to be substantially related to the functions, duties or
26 qualifications of an appraiser if it involves any willful violation of the Real Estate Appraisers'
27 Licensing and Certification Act or provisions of the Business and Professions Code applicable to
28 appraisers.

1 "(c) The weight to be accorded to a substantially related crime or act under (a) or (b) shall
2 be determined by application of the following standards:

3 "(1) The extent to which the particular acts or omissions have adversely affected other
4 persons, including but not limited to lenders, clients, employers or other persons; and the
5 probability that such adverse effects will continue;

6 "(2) The recency or remoteness in time of the acts or omissions;

7 "(3) The type of license applied for or held by the person involved;

8 "(4) The extenuating or aggravating circumstances surrounding the acts or omissions;

9 "(5) The motivation of the acts or omissions, whether praiseworthy or blameworthy;

10 "(6) The probability that the questioned acts or omissions will continue or be repeated; and

11 "(7) The extent to which disciplinary action may inflict an adverse impact or chilling effect
12 upon the constitutional rights of the person involved or other licensed persons."

13 12. Title 10, California Code of Regulations, section 3705, states:

14 "(a) Every appraisal report subject to the Uniform Standards of Professional Appraisal
15 Practice upon final completion shall bear the signature and license number of the appraiser and of
16 the supervising appraiser, if appropriate. The affixing of such signature and number constitute the
17 acceptance by the appraiser and supervising appraiser of full and personal responsibility for the
18 accuracy, content, and integrity of the appraisal under Standards Rules 1 and 2 of USPAP.

19 "(b) Every review appraisal report upon final completion shall bear the signature and
20 license number of the reviewer. The affixing of such signature and number shall constitute
21 acceptance by the reviewer of responsibility for the review under Standard Rule 3 of USPAP.

22 "(c) The license number of the appraiser, and of the review appraiser if the report is a
23 review, shall appear with each signature throughout the appraisal or review document."

24 13. Business and Professions Code section 11409, subdivision (a) states:

25 "Except as otherwise provided by law, any order issued in resolution of a disciplinary
26 proceeding may direct a licensee, applicant for licensure, person who acts in a capacity that
27 requires a license under this part, registrant, applicant for a certificate of registration, course
28 provider, applicant for course provider accreditation, or a person who, or entity that, acts in a

1 capacity that requires course provider accreditation found to have committed a violation or
2 violations of statutes or regulations relating to real estate appraiser practice to pay a sum not to
3 exceed the reasonable costs of investigation, enforcement, and prosecution of the case."

4 **2005 UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP)**

5 14. The USPAP ETHICS RULE states in pertinent part:

6 "To promote and preserve the public trust inherent in professional appraisal practice, an
7 appraiser must observe the highest standards of professional ethics. This ETHICS RULE is
8 divided into four sections: Conduct, Management, Confidentiality, and Record Keeping. The first
9 three sections apply to all appraisal practice, and all four sections apply to appraisal practice
10 performed under STANDARDS 1 through 10.

11 "Compliance with USPAP is required when either the service or the appraiser is obligated
12 by law or regulation, or by agreement with the client or intended users, to comply. In addition to
13 these requirements, an individual should comply any time that individual represents that he or she
14 is performing the service as an appraiser.

15 "An appraiser must not misrepresent his or her role when providing valuation services that
16 are outside of appraisal practice."

17 15. The Conduct section of USPAP ETHICS RULE states:

18 "An appraiser must perform assignments ethically and competently, in accordance with
19 USPAP and any supplemental standards agreed to by the appraiser in accepting the assignment.
20 An appraiser must not engage in criminal conduct. An appraiser must perform assignments with
21 impartiality, objectivity, and independence, and without accommodation of personal interests.

22 "In appraisal practice, an appraiser must not perform as an advocate for any party or issue.

23 "An appraiser must not accept an assignment that includes the reporting of predetermined
24 opinions and conclusions.

25 "An appraiser must not communicate assignment results in a misleading or fraudulent
26 manner.

27 "An appraiser must not use or communicate a misleading or fraudulent report or knowingly
28 permit an employee or other person to communicate a misleading or fraudulent report.

1 "An appraiser must not use or rely on unsupported conclusions relating to characteristics
2 such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of
3 public assistance income, handicap, or an unsupported conclusion that homogeneity of such
4 characteristics is necessary to maximize value."

5 16. USPAP Standards Rule 1-1 states:

6 "In developing a real property appraisal, an appraiser must:

7 "(a) be aware of, understand, and correctly employ those recognized methods and
8 techniques that are necessary to produce a credible appraisal;

9 "(b) not commit a substantial error of omission or commission that significantly affects an
10 appraisal;

11 ..."

12 17. USPAP Standards Rule 1-2 states:

13 "In developing a real property appraisal, an appraiser must:

14 ...

15 "(d) identify the effective date of the appraiser's opinions and conclusions;

16 "(e) identify the characteristics of the property that are relevant to the type and definition of
17 value and intended use of the appraisal, including:

18 "(i) its location and physical, legal, and economic attributes;

19 ...

20 "(f) identify the scope of work necessary to complete the assignment;

21 ..."

22 18. USPAP Standards Rule 1-4 states:

23 "In developing a real property appraisal, an appraiser must collect, verify, and analyze all
24 information applicable to the appraisal problem, given the scope of work identified in accordance
25 with Standards Rule 1-2(f).

26 "(a) When a sales comparison approach is applicable, an appraiser must analyze such
27 comparable sales data as are available to indicate a value conclusion.

28 "(b) When a cost approach is applicable, an appraiser must:

1 "Each written real property appraisal report must be prepared under one of the following
2 three options and prominently state which option is used: Self-Contained Appraisal Report,
3 Summary Appraisal Report, or Restricted Use Appraisal Report.

4 ...
5 "(b) The content of a Summary Appraisal Report must be consistent with the intended use
6 of the appraisal and, at a minimum:

7 "(iii) summarize information sufficient to identify the real estate involved in the
8 appraisal, including the physical and economic property characteristics relevant to the
9 assignment;

10 ...
11 "(vi) state the effective date of the appraisal and the date of the report;

12 "(vii) summarize sufficient information to disclose to the client and any intended uses
13 of the appraisal the scope of work used to develop the appraisal;

14 "(viii) clearly and conspicuously:

15 state all extraordinary assumptions and hypothetical conditions; and

16 state that their use might have affected the assignment results;

17 "(ix) summarize the information analyzed, the appraisal procedures followed, and the
18 reasoning that supports the analyses, opinions, and conclusions;

19 ..."

20 23. USPAP Standards Rule 2-3 states:

21 "Each written real property appraisal report must contain a signed certification that is
22 similar in content to the following form:

23 "I certify that, to the best of my knowledge and belief:

- 24 • "the statements of fact contained in this report are true and correct.
- 25 • "the reported analyses, opinions, and conclusions are limited only by the reported
26 assumptions and limiting conditions and are my personal, impartial, and unbiased
27 professional analyses, opinions, and conclusions.

- 1 • "I have no (or the specified) present or prospective interest in the property that is the
2 subject of this report and no (or the specified) personal interest with respect to the
3 parties involved.
- 4 • "I have no bias with respect to the property that is the subject of this report or to the
5 parties involved with this assignment.
- 6 • "my engagement in this assignment was not contingent upon developing or reporting
7 predetermined results.
- 8 • "my compensation for completing this assignment is not contingent upon the
9 development or reporting of a predetermined value or direction in value that favors
10 the cause of the client, the amount of the value opinion, the attainment of a
11 stipulated result, or the occurrence of a subsequent event directly related to the
12 intended use of this appraisal.
- 13 • "my analyses, opinions, and conclusions were developed, and this report has been
14 prepared, in conformity with the Uniform Standards of Professional Appraisal
15 Practice.
- 16 • "I have (or have not) made a personal inspection of the property that is the subject of
17 this report. (If more than one person signs this certification, the certification must
18 clearly specify which individuals did and which individuals did not make a personal
19 inspection of the appraised property.)
- 20 • "no one provided significant real property appraisal assistance to the person signing
21 this certification. (If there are exceptions, the name of each individual providing
22 significant real property appraisal assistance must be stated.)"

23 **FIRST CAUSE FOR DISCIPLINE**

24 **(FEBRUARY 9, 2006 APPRAISAL OF 1729 CHRISTINA AVENUE, STOCKTON,**
25 **CALIFORNIA)**

26 24. On or about February 9, 2006, Respondent completed a real estate appraisal report for
27 property described as 1729 Christina Avenue in Stockton, California. Respondent is subject to
28 disciplinary action under Regulation section 3721, subdivisions (a)(6) and (a)(7), by and through

1 her violations of Regulation sections 3701, 3702 subdivisions (a)(1) and (a)(3), and the following
2 USPAP violations:

- 3 a. Failure to disclose that the photographs of the subject property were not taken as of the
4 date of her inspection, but were from a prior appraisal report of the subject property, in
5 violation of USPAP Standard Rules (S.R.) 1-2(f) and 2-2(b)(vii);
- 6 b. Respondent's appraisal indicated that her supervisor had inspected the exteriors of the
7 subject property and comparable sales utilized on February 9, 2006, when she had not,
8 in violation of S.R. 1-2(f), 2-2(b)(vii) and 2-3;
- 9 c. Respondent created a misleading report by failing to collect, verify, and analyze all
10 information necessary for credible assignment results via the Sales Comparison
11 Approach, in violation of S.R. 1-4(a) and 2-2(b)(ix) as follows:
 - 12 1. Comparable Sale One: Respondent understated the gross living area. Respondent
13 also falsely stated the date of sale;
 - 14 2. Comparable Sale Two: Respondent significantly understated the gross living area
15 and room count. Respondent also failed to adequately discuss and analyze a prior
16 sale that occurred less than six months earlier;
 - 17 3. Comparable Sale Three: Respondent failed to adequately discuss and analyze this
18 property sold with 100% financing;
- 19 d. Failure to adequately reconcile the disparity of the adjusted sale prices of the
20 comparable sales utilized. Respondent understated the gross living areas of Comparable
21 Sales One and Two, whereas Comparable Sale Three did not support Respondent's
22 concluded value, in violation of S.R. 1-4(a), 1-6(a), and 2-2(b)(ix);
- 23 e. Based on the allegations listed in paragraphs a. through d. above, Respondent failed to
24 correctly employ those recognized methods and techniques that are necessary to
25 produce a credible appraisal, in violation of S.R. 1-1(a);
- 26 f. Based on the allegations listed in paragraphs a. through d. above, Respondent
27 committed substantial errors of omission or commission that significantly affected the
28 appraisal, in violation of S.R. 1-1(b);

- 1 g. Based on the allegations listed in paragraphs a. through d. above, Respondent failed to
2 clearly and accurately set forth the appraisal in a manner that would not be misleading,
3 in violation of S.R. 2-1(a);
- 4 h. Based on the allegations listed in paragraphs a. through d. above, Respondent failed to
5 provide sufficient information to enable the intended users of the report to understand it
6 properly, in violation of S.R. 2-1(b);
- 7 i. Based on the allegations listed in paragraphs a. through d. above, in addition to
8 formulating an appraisal that was not credible, Respondent violated the Conduct Section
9 of the Ethics Rule;
- 10 j. Respondent utilized her supervisor's digital signature without her knowledge or
11 involvement in the appraisal process, in violation of California Code of Regulations,
12 title 10, sections 3702(a)(1) and 3702(a)(3), 3721(a)(2), 3721(a)(4), 3721(a)(6),
13 3722(a)(1), 3722(a)(3), S.R. 2-1(a), 2-3, and the Conduct Section of the Ethics Rule.

14 **SECOND CAUSE FOR DISCIPLINE**

15 **(MARCH 29, 2006 APPRAISAL OF 1729 CHRISTINA AVENUE, STOCKTON,**
16 **CALIFORNIA)**

17 25. On or about March 29, 2006, Respondent completed a real estate appraisal report for
18 property described as 1729 Christina Avenue in Stockton, California. Respondent is subject to
19 disciplinary action under Regulation section 3721, subdivisions (a)(6) and (a)(7), by and through
20 her violations of Regulation sections 3701, 3702 subdivisions (a)(1) and (a)(3), and the following
21 USPAP violations:

- 22 a. Respondent falsely stated the owner of public record. Respondent also stated the
23 subject property was tenant occupied, which contradicted her prior report as of the same
24 date that stated the subject was owner occupied, in violation of S.R. 1-2(e)(i) and 2-
25 2(b)(iii);
- 26 b. Respondent failed to disclose that the photographs of the subject property were not
27 taken as of the date of her inspection, but were from a prior appraisal reports of the
28 subject property, in violation of S.R. 1-2(f) and 2-2(b)(vii);

- 1 c. Respondent's appraisal indicated that her supervisor had inspected the exteriors of the
2 subject property and comparable sales utilized on February 9, 2006, when she had not,
3 in violation of S.R. 1-2(f), 2-2(b)(vii) and 2-3;
- 4 d. Respondent created a misleading report by failing to collect, verify, and analyze all
5 information necessary for credible assignment results via the Sales Comparison
6 Approach, in violation of S.R. 1-4(a) and 2-2(b)(ix), as follows:
- 7 1. Comparable Sale One: Respondent understated the gross living area. Respondent
8 also falsely stated the date of sale;
 - 9 2. Comparable Sale Two: Respondent significantly understated the gross living area
10 and room count. Respondent also failed to adequately discuss and analyze a prior
11 sale that occurred less than six months earlier;
 - 12 3. Comparable Sale Three: Respondent failed to adequately discuss and analyze this
13 property sold with 100% financing;
- 14 e. Respondent failed to adequately reconcile the disparity of the adjusted sale prices of the
15 comparable sales utilized. Respondent understated the gross living areas of Comparable
16 Sales One and Two, whereas Comparable Sale Three did not support Respondent's
17 concluded value, in violation of S.R. 1-4(a), 1-6(a), and 2-2(b)(ix);
- 18 f. Based upon the allegations listed in paragraphs a. through e. above, Respondent failed
19 to correctly employ those recognized methods and techniques that are necessary to
20 produce a credible appraisal, in violation of S.R. 1-1(a);
- 21 g. Based upon the allegations listed in paragraphs a. through e. above, Respondent
22 committed substantial errors of omission or commission that significantly affected the
23 appraisal, in violation of S.R. 1-1(b);
- 24 h. Based upon the allegations listed in paragraphs a. through e. above, in addition to
25 Respondent's date of report that was 48 days following her supervisor's date of report,
26 Respondent failed to clearly and accurately set forth the appraisal in a manner that
27 would not be misleading, in violation of S.R. 2-1(a);
28

- 1 i. Based upon the allegations listed in paragraphs a. through e. above, Respondent failed
2 to provide sufficient information to enable the intended users of the report to understand
3 it properly, in violation of S.R. 2-1(b);
- 4 j. Based upon the allegations listed in paragraphs a. through e. above, in addition to an
5 appraisal that was not credible, Respondent violated the Conduct Section of the Ethics
6 Rule;
- 7 k. Respondent utilized her supervisor's digital signature without her knowledge or
8 involvement in the appraisal process, in violation of California Code of Regulations,
9 Title 10, sections 3702(a)(1), 3702(a)(3), 3721(a)(2), 3721(a)(4), 3721(a)(6),
10 3722(a)(1), 3722(a)(3), S.R. 2-1(a), 2-3, and the Conduct Section of the Ethics Rule.

11 **THIRD CAUSE FOR DISCIPLINE**

12 **(FEBRUARY 20, 2006 APPRAISAL OF 1060 N. MITCHELL AVENUE, TURLOCK,**
13 **CALIFORNIA)**

14 26. On or about February 20, 2006, Respondent completed a real estate appraisal report
15 for property described as 1060 N. Mitchell Avenue in Turlock, California. Respondent is subject
16 to disciplinary action under Regulation section 3721, subdivisions (a)(6) and (a)(7), by and
17 through her violations of Regulation sections 3701, 3702 subdivisions (a)(1) and (a)(3), and the
18 following USPAP violations:

- 19 a. Respondent falsely stated the effective date of the appraisal in violation of S.R. 1-2(d)
20 and 2-2(b)(vi);
- 21 b. Respondent's appraisal indicated that her supervisor had inspected the interior of the
22 subject property on December 17, 2006, when in fact, she had not, in violation of S.R.
23 1-2(f), 2-2(b)(vii) and 2-3;
- 24 c. Respondent created a misleading report by failing to collect, verify, and analyze all
25 information necessary for credible assignment results via the Sales Comparison
26 Approach, in violation of S.R. 1-4(a) and 2-2(b)(ix), as follows:
- 27 1. Comparable Sale One: Respondent failed to discuss and analyze this property's
28 superior condition, remodeling and new 1,500 square foot shop;

1 2. Comparable Sale Two: Respondent failed to discuss and analyze this property's
2 superior condition and remodeling. Respondent also failed to adequately discuss
3 and analyze the 57 year age disparity in comparison to the subject property;

4 3. Comparable Sale Three: Respondent failed to discuss and analyze this property's
5 superior condition, remodeling and addition. Respondent also failed to discuss
6 and analyze this property sold with 100% financing. Additionally, Respondent
7 failed to adequately discuss and analyze the 50 year age disparity in comparison
8 to the subject property;

9 d. Respondent applied across the board upward site area adjustments based on an inflated
10 site area for the subject property, in violation of S.R. 1-4(a) and 2-2(b)(ix);

11 e. Respondent disclosed, but failed to analyze a prior sale of the subject property that
12 occurred less than eight months earlier for 12% less than Respondent's concluded
13 value, in violation of S.R. 1-5(b) and 2-2(b)(ix);

14 f. Based upon the allegations listed above in paragraphs a. through e., Respondent failed
15 to correctly employ those recognized methods and techniques that are necessary to
16 produce a credible appraisal, in violation of S.R. 1-1(a);

17 g. Based upon the allegations listed above in paragraphs a. through e., Respondent
18 committed substantial errors of omission or commission that significantly affected the
19 appraisal, in violation of S.R. 1-1(b);

20 h. Based upon the allegations listed above in paragraphs a. through e., Respondent failed
21 to clearly and accurately set forth the appraisal in a manner that would not be
22 misleading, in violation of S.R. 2-1(a);

23 i. Based upon the allegations listed above in paragraphs a. through e., Respondent failed
24 to provide sufficient information to enable the intended users of the report to understand
25 it properly, in violation of S.R. 2-1(b);

26 j. Based upon the allegations listed above in paragraphs a. through e., in addition to
27 formulating an appraisal that was not credible, Respondent violated the Conduct section
28 of the Ethics Rule;

1 k. Respondent utilized her supervisor's digital signature without her knowledge or
2 involvement in the appraisal process. Respondent also replaced her supervisor's
3 business name and contact information with her own, in violation of California Code of
4 Regulations, Title 10, sections 3702(a)(1), 3702(a)(3), 3721(a)(2), 3721(a)(4),
5 3721(a)(6), 3722(a)(1), 3722(a)(3), S.R. 2-1(a), 2-3, and the Conduct Section of the
6 Ethics Rule.

7 **FOURTH CAUSE FOR DISCIPLINE**

8 **(FEBRUARY 20, 2006 APPRAISAL OF 1060 N. MITCHELL AVENUE, TURLOCK,**
9 **CALIFORNIA)**

10 27. On or about February 20, 2006, Respondent completed a real estate appraisal report
11 for property described as 1060 N. Mitchell Avenue in Turlock, California. Respondent is subject
12 to disciplinary action under Regulation section 3721, subdivisions (a)(6) and (a)(7), by and
13 through her violations of Regulation sections 3701, 3702 subdivisions (a)(1) and (a)(3), and the
14 following USPAP violations:

- 15 a. Respondent falsely stated the effective date of the appraisal in violation of S.R. 1-2(d)
16 and 2-2(b)(vi);
- 17 b. Respondent falsely stated the owner of public record. Respondent also stated the
18 subject property was tenant occupied, whereas her prior report as of the same date
19 stated the subject was owner occupied, in violation of S.R. 1-2(e)(i) and 2-2(b)(iii);
- 20 c. Respondent's appraisal indicated that her supervisor had inspected the interior of the
21 subject property on December 17, 2006, when, in fact, she had not, in violation of S.R.
22 1-2(f), 2-2(b)(vii), and 2-3;
- 23 d. Respondent created a misleading report by failing to collect, verify, and analyze all
24 information necessary for credible assignment results via the Sales Comparison
25 Approach, in violation of S.R. 1-4(a) and 2-2(b)(ix);

- 26 1. Comparable Sale One: Respondent failed to discuss and analyze this property's
27 superior condition, remodeling and new 1,500 square food shop;

1 2. Comparable Sale Two: Respondent failed to discuss and analyze this property's
2 superior condition and remodeling. Respondent also failed to adequately discuss
3 and analyze the 57 year age disparity in comparison to the subject property;

4 3. Comparable Sale Three: Respondent failed to discuss and analyze this property's
5 superior condition, remodeling and addition. Respondent also failed to discuss
6 and analyze this property sold with 100% financing. Additionally, Respondent
7 failed to adequately discuss and analyze the 50 year age disparity in comparison
8 to the subject property;

9 e. Respondent applied across the board upward site area adjustments based on an inflated
10 site area for the subject property, in violation of S.R. 1-4(a) and 2-2(b)(ix);

11 f. Respondent disclosed, but failed to analyze a prior sale of the subject property that
12 occurred less than eight months earlier for 12% less than Respondent's concluded
13 value, in violation of S.R. 1-5(b) and 2-2(b)(ix);

14 g. Based on the allegations listed in paragraphs a. through f. above, Respondent failed to
15 correctly employ those recognized methods and techniques that are necessary to
16 produce a credible appraisal, in violation of S.R. 1-1(a);

17 h. Based on the allegations listed in paragraphs a. through f. above, Respondent committed
18 substantial errors of omission or commission that significantly affected the appraisal, in
19 violation of S.R. 1-1(b);

20 i. Based on the allegations listed in paragraphs a. through f. above, Respondent failed to
21 clearly and accurately set forth the appraisal in a manner that would not be misleading,
22 in violation of S.R. 2-1(a);

23 j. Based on the allegations listed in paragraphs a. through f. above, Respondent failed to
24 provide sufficient information to enable the intended users of the report to understand it
25 properly, in violation of S.R. 2-1(b);

26 k. Based on the allegations listed in paragraphs a. through f. above, in addition to
27 formulating an appraisal that was not credible, Respondent violated the Conduct Section
28 of the Ethics Rule; and

1 1. Respondent utilized her supervisor's digital signature without her knowledge or
2 involvement in the appraisal process. Respondent also replaced her supervisor's
3 business name and contact information with her own, in violation of California Code of
4 Regulations, Title 10, sections 3702(a)(1), 3702(a)(3), 3721(a)(2), 3721(a)(4),
5 3721(a)(6), 3722(a)(1), 3722(a)(3), S.R. 2-1(a), 2-3, and the Conduct Section of the
6 Ethics Rule.

7 **PETITION TO REVOKE PROBATION**

8 **PARTIES**

9 28. Elizabeth Seaters, acting on behalf of the Office of Real Estate Appraisers
10 (Complainant) brings this Petition to Revoke Probation solely in her official capacity as the
11 Supervising Property Appraiser Investigator of the Office of Real Estate Appraisers.

12 29. On or about April 4, 2007, the Director of the Office of Real Estate Appraisers issued
13 Real Estate Appraiser License No. AL 038505 to Farah H. Gulparast (Respondent). The Real
14 Estate Appraiser License expired on November 27, 2009, and has not been renewed.

15 30. In a disciplinary action entitled "In the Matter of the Accusation against Farah H.
16 Gulparast," Case No. C 071016-01, the Director of the Office of Real Estate Appraisers issued a
17 decision, effective December 28, 2009, in which Respondent's Real Estate Appraiser License was
18 revoked. However, the revocation was stayed and Respondent's Real Estate Appraiser License
19 was placed on probation for a period of two (2) years with certain terms and conditions.
20 Additionally, Respondent was issued a public reproof and a \$1,000.00 fine, both of which were
21 stayed pending successful completion of probation. A copy of that decision is attached as Exhibit
22 A and is incorporated by reference.

23 **JURISDICTION**

24 31. This Petition to Revoke Probation is brought before the Director of the Office of Real
25 Estate Appraisers (Director), under the authority of the following laws. All section references are
26 to the Business and Professions Code unless otherwise indicated.

27 32. Business and Professions Code section 11313 states, in pertinent part:
28

1 "The office [Office of Real Estate Appraisers] is under the supervision and control of the
2 secretary [secretary of the Business, Transportation and Housing Agency]. The duty of enforcing
3 and administering this part is vested in the director [director of the Office of Real Estate
4 Appraisers] and he or she is responsible to the secretary therefor. The director shall adopt and
5 enforce rules and regulations as are determined reasonably necessary to carry out the purposes of
6 this part."

7 **FIRST CAUSE TO REVOKE PROBATION**

8 (Active License Status)

9 33. At all times after the effective date of Respondent's probation, Condition 7 stated:

10 Respondent shall at all times maintain an active license status with the Office of
11 Real Estate Appraisers, including during any period of suspension. If the license
12 is expired at the time the Decision and Order of the Director of the Office of
13 Real Estate Appraisers becomes effective, the license must be renewed within
14 30 days of the effective date of the Decision and Order.

15 34. Respondent's probation is subject to revocation because she failed to comply with
16 Probation Condition 7, referenced above. The facts and circumstances regarding this violation
17 are as follows:

18 A. Respondent's license expired on November 27, 2009, and has not been renewed.
19 Accordingly, it was not active on the date the Decision and Order became effective. Respondent
20 was required by Condition 7 to renew her license within 30 days of the effective date of the
21 Decision and Order, and she failed to do so. Additionally, Respondent failed to maintain an
22 active license throughout the course of her probation, as required by Condition 7.

23 **SECOND CAUSE TO REVOKE PROBATION**

24 (Uniform Standards of Professional Appraisal Practice Course/Examination)

25 35. At all times after the effective date of Respondent's probation, Condition 10 stated:

26 Respondent shall take and pass an Office of Real Estate Appraisers approved
27 15-hour basic education course on the Uniform Standards of Professional
28 Appraisal Practice within 12 months of the date of the Decision and Order of the
Director of the Office of Real Estate Appraisers is final. The course must be
The Appraisal Foundation's National USPAP Course (or its equivalent as
determined solely by the Appraiser Qualifications Board (AQB) Course
Approval Program), and must be taught by an AQB Certified USPAP Instructor
who is also a Certified Residential or Certified General appraiser in good
standing with OREA. The course must be in a classroom setting and administer

1 a closed book final examination. Respondent must submit proof of successful
2 completion of the course and final examination within 12 months following the
3 date the Decision and Order of the Director of the Office of Real Estate
Appraisers is final. Respondent understands that it is his responsibility to ensure
that the course meets all of the requirements listed above and to apply for,
schedule, and make all arrangements to take the course.

4 36. Respondent's probation is subject to revocation because she failed to comply with
5 Probation Condition 10, referenced above. The facts and circumstances regarding this violation
6 are as follows:

7 A. Respondent was required to take the above-referenced 15 hour USPAP course on or
8 before December 28, 2010 (12 months after the effective date of the Decision and Order).
9 Respondent completed the 15 hour USPAP course on November 11, 2011, almost 11 months late.

10 **PRAYER**

11 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
12 and that following the hearing, the Director of the Office of Real Estate Appraisers issue a
13 decision:

14 1. Revoking or suspending Real Estate Appraiser License Number AL 038505, issued to
15 Farah H. Gulparast;

16 2. Ordering Farah H. Gulparast to pay the Director of the Office of Real Estate
17 Appraisers the reasonable costs of the investigation and enforcement of this case, pursuant to
18 Business and Professions Code section 11409;

19 3. Ordering Farah H. Gulparast to pay the Director of the Office of Real Estate
20 Appraisers a fine pursuant to Business and Professions Code section 11316;

21 4. Revoking the probation that was granted by the Office of Real Estate Appraisers in
22 Case No. C 071016-01 and imposing the disciplinary order that was stayed thereby revoking Real
23 Estate Appraiser License No. AL 038505 issued to Farah H. Gulparast;

24 5. Imposing the public reproof that was stayed by the Decision and Order in Case No.
25 C 071016-01;

26 6. Imposing the \$1,000.00 fine that was stayed by the Decision and Order in Case No. C
27 071016-01; and
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7. Taking such other and further action as deemed necessary and proper.

Original Signed

DATED: 10/8/12

ELIZABETH SEATERS
Chief of Enforcement
Office of Real Estate Appraisers
State of California
Complainant

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Exhibit A

Decision and Order

Office of Real Estate Appraisers Case No. C 071016-01

**BEFORE THE
DIRECTOR OF THE OFFICE OF REAL ESTATE APPRAISERS
OFFICE OF REAL ESTATE APPRAISERS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

Farah H. Gulparast
2067 Golden Leaf Lane
Tracy, CA 95377

Real Estate Appraiser
Residential License No. AL 038505

Respondent.

Case No. C 071016-01

DECISION AND ORDER

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

This Decision shall become effective on 12/28/09.

It is so ORDERED 12/28/09.

Original Signed

Bob Clark _____
DIRECTOR, OFFICE OF REAL ESTATE APPRAISERS

1 EDMUND G. BROWN JR.
Attorney General of California
2 JANICE LACHMAN
Supervising Deputy Attorney General
3 LORRIE M. YOST
Deputy Attorney General
4 State Bar No. 119088
1300 I Street, Suite 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 445-2271
Facsimile: (916) 327-8643
7 *Attorneys for Complainant*

8 **BEFORE THE**
DIRECTOR OF THE OFFICE OF REAL ESTATE APPRAISERS
9 **OFFICE OF REAL ESTATE APPRAISERS**
STATE OF CALIFORNIA
10

11
12 In the Matter of the Accusation Against:

Case No. C 071016-01

13 FARAH H. GULPARAST
2067 Golden Leaf Lane
14 Tracy, CA 95377

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER**

15 Real Estate Appraisers
Residential License No. AL038505

16 Respondent.
17

18 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-
19 entitled proceedings that the following matters are true:

20 PARTIES

21 1. Greg Harding (Complainant) is the Chief of Licensing and Enforcement of the Office
22 of Real Estate Appraisers. He brought this action solely in his official capacity and is represented
23 in this matter by Edmund G. Brown Jr., Attorney General of the State of California, by Lorrie M.
24 Yost, Deputy Attorney General.

25 2. Respondent Farah H. Gulparast (Respondent) is representing herself in this
26 proceeding and has chosen not to exercise her right to be represented by counsel.

27 3. On or about April 4, 2007, the Office of Real Estate Appraisers issued Real Estate
28 Appraisers No. AL038505 to Farah H. Gulparast (Respondent). The Real Estate Appraisers was

1 in full force and effect at all times relevant to the charges brought in Accusation No. C 071016-01
2 and will expire on November 27, 2009, unless renewed.

3 JURISDICTION

4 4. Accusation No. C 071016-01 was filed before the Director of the Office of Real
5 Estate Appraisers (Director), for the Office of Real Estate Appraisers (Director), and is currently
6 pending against Respondent. The Accusation and all other statutorily required documents were
7 properly served on Respondent on August 14, 2008. Respondent timely filed her Notice of
8 Defense contesting the Accusation. A copy of Accusation No. C 071016-01 is attached as exhibit
9 A and incorporated herein by reference.

10 ADVISEMENT AND WAIVERS

11 5. Respondent has carefully read, and understands the charges and allegations in
12 Accusation No. C 071016-01. Respondent has also carefully read, and understands the effects of
13 this Stipulated Settlement and Disciplinary Order.

14 6. Respondent is fully aware of her legal rights in this matter, including the right to a
15 hearing on the charges and allegations in the Accusation; the right to be represented by counsel at
16 her own expense; the right to confront and cross-examine the witnesses against her; the right to
17 present evidence and to testify on her own behalf; the right to the issuance of subpoenas to
18 compel the attendance of witnesses and the production of documents; the right to reconsideration
19 and court review of an adverse decision; and all other rights accorded by the California
20 Administrative Procedure Act and other applicable laws.

21 7. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
22 every right set forth above.

23 CULPABILITY

24 8. Respondent admits that if the charges and allegations in Accusation No. C 071016-01
25 were proven at hearing, it would constitute grounds for discipline.

26 9. Respondent agrees that her Real Estate Appraisers is subject to discipline and she
27 agrees to be bound by the Director of the Office of Real Estate Appraisers (Director)'s imposition
28 of discipline as set forth in the Disciplinary Order below.

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CONTINGENCY

10. This stipulation shall be subject to approval by the Director of the Office of Real Estate Appraisers. Respondent understands and agrees that counsel for Complainant and the staff of the Office of Real Estate Appraisers may communicate directly with the Director regarding this stipulation and settlement, without notice to or participation by Respondent. By signing the stipulation, Respondent understands and agrees that she may not withdraw her agreement or seek to rescind the stipulation prior to the time the Director considers and acts upon it. If the Director fails to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Director shall not be disqualified from further action by having considered this matter.

11. The parties understand and agree that facsimile copies of this Stipulated Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same force and effect as the originals.

12. In consideration of the foregoing admissions and stipulations, the parties agree that the Director may, without further notice or formal proceeding, issue and enter the following Disciplinary Order:

DISCIPLINARY ORDER

IT IS HEREBY ORDERED that Real Estate Appraiser License No. AI.038505 issued to Respondent is revoked. However, the revocation is stayed and Respondent is placed on probation for 24 months on the following terms and conditions

1. **Public Reproval.** Respondent is issued a Public Reproval. However, the Public Reproval is hereby stayed during probationary period and will not be entered if probation is successfully completed.

2. **Obey All Laws.** Respondent shall comply with all federal, state and local laws, and conform to the minimum guidelines set forth under the Uniform Standards of Professional Appraisal Practice (USPAP), and all other laws and regulations pertaining to real estate appraisers.

1 3. **Monitoring Costs.** Respondent shall pay costs associated with monitoring each
2 and every year of probation. Respondent shall comply with the Office's probation compliance
3 monitoring program. Failure to pay costs or comply with probation monitoring shall be
4 considered a violation of probation. Said costs shall be in a sum sufficient to cover the costs
5 incurred by the Office in reviewing appraisals, and other monitoring, in an amount not to exceed
6 \$250 per six-month period.

7 4. **Personal Appearances.** Respondent shall, during the period of probation,
8 appear in person at interviews/meetings as directed by the Office of Real Estate Appraisers or its
9 designated representatives, provided such notification is accomplished in a timely manner.

10 5. **Comply With Probation.** Respondent shall fully comply with the terms and
11 conditions of the probation imposed by the Director of the Office of Real Estate Appraisers and
12 shall cooperate fully with representatives of the Office in its monitoring and investigation of
13 Respondent's compliance with the terms and conditions of probation.

14 6. **Monitoring.** Respondent shall be subject to, and shall permit, monitoring and
15 investigation of Respondent's professional practice. Such monitoring and investigation shall be
16 conducted by representatives of the Office of Real Estate Appraisers.

17 7. **Active License Status.** Respondent shall at all times maintain an active license
18 status with the Office of Real Estate Appraisers, including during any period of suspension. If the
19 license is expired at the time the Decision and Order of the Director of the Office of Real Estate
20 Appraisers becomes effective, the license must be renewed within 30 days of the effective date of
21 the Decision and Order.

22 8. **Tolling of Probation For Out-of-State Residence/Practice.** In the event
23 Respondent should leave California to reside or practice outside this state, Respondent must
24 notify the Office of Real Estate Appraisers, in writing, of the dates of departure and return.
25 Periods of non-California residency or practice outside the state shall not apply to reduction of the
26 probationary period, or of any suspension. No obligation imposed herein, including requirements
27 to file written reports, reimburse the Office costs, or make restitution to consumers, shall be

28 ///

1 suspended or otherwise affected by such periods of out-of-state residency or practice except at the
2 written direction of the Office of Real Estate Appraisers.

3 9. **Violation of Probation.** If Respondent violates probation in any respect, the
4 Director of the Office of Real Estate Appraisers, after giving Respondent notice and an
5 opportunity to be heard, may revoke probation and carry out the disciplinary order that was
6 stayed. If an accusation or a petition to revoke probation is filed against Respondent during
7 probation, the Director shall have continuing jurisdiction until the matter is final, and the period
8 of probation shall be extended until the matter is final.

9 Upon successful completion of probation, Respondent's license will be fully restored.

10 10. **Uniform Standards of Professional Appraisal Practice Course /Examination.**
11 Respondent shall take and pass an Office of Real Estate Appraisers approved 15-hour basic
12 education course on the Uniform Standards of Professional Appraisal Practice within 12 months
13 of the date the Decision and Order of the Director of the Office of Real Estate Appraisers is final.
14 The course must be The Appraisal Foundation's National USPAP Course (or its equivalent as
15 determined solely by the Appraiser Qualifications Board (AQB) Course Approval Program), and
16 must be taught by an AQB Certified USPAP Instructor who is also a Certified Residential or
17 Certified General appraiser in good standing with OREA. The course must be in a classroom
18 setting and administer a closed book final examination. Respondent must submit proof of
19 successful completion of the course and final examination within 12 months following the date
20 the Decision and Order of the Director of the Office of Real Estate Appraisers is final.
21 Respondent understands that it is his responsibility to ensure that the course meets all of the
22 requirements listed above and to apply for, schedule, and make all arrangements to take the
23 course.

24 11. **Minimum Education Requirements.** Educational courses imposed as a term or
25 condition of probation by the Director of Real Estate Appraisers may not be credited towards
26 Respondent's continuing education requirements required for renewal of Respondent's real estate
27 appraiser license.

28 12. **Payment of Outstanding Fine.** Respondent further acknowledges and agrees to

1 pay a fine pursuant to Business and Professions Code section 11316(a) and California Code of
2 Regulations, title 10, section 3721(a), for the sum of \$1,000.00. However, the payment of the
3 fine is stayed and shall not be due if probation is satisfactorily completed.

4 In the event that probation is not satisfactorily completed, said sum shall be received by
5 the Office of Real Estate Appraisers within 30 days of the effective date of the Decision and
6 Order of the Director of Real Estate Appraisers in the Petition to Revoke Probation. Payment at
7 that time shall be made to the Real Estate Appraisers Regulation Fund, c/o Office of Real Estate
8 Appraisers, 1102 Q Street, Suite 4100, Sacramento, California 95811 by check or money order
9 and shall indicate on its face the notation: OREA Case No. C 071016-01. Respondent shall also
10 submit the Remittance Notification (REA 2032) form with payment, which will be provided by
11 the Office upon acceptance of this Stipulation and Waiver. If full payment is not received by the
12 Office by the date due as noted in the invoice, a 10 percent late penalty shall be added to the
13 unpaid balance and interest will accrue on the unpaid balance at the pooled money investment
14 rate in effect at that time, until the full amount is paid. If the unpaid balance plus 10 percent late
15 penalty and interest on the unpaid balance are not received by the Office within 30 days
16 thereafter, my appraiser license may be automatically suspended without further notice from the
17 Office and will not be eligible for reinstatement prior to receipt of the full payment of the unpaid
18 balance, penalty, and interest. Respondent shall not be eligible to renew his license until such
19 time as full payment of the outstanding fine has been made.

20 ACCEPTANCE

21 I have carefully read the Stipulated Settlement and Disciplinary Order. I understand the
22 stipulation and the effect it will have on my Real Estate Appraisers. I enter into this Stipulated
23 Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be

24 ///
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1 bound by the Decision and Order of the Director of the Office of Real Estate Appraisers, Office
2 of Real Estate Appraisers.

3 DATED: 10/29/2009

Original Signed

FARAH H. GULPARAST
Respondent

7 ENDORSEMENT

8 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully
9 submitted for consideration by the Director of the Office of Real Estate Appraisers, Office of
10 Real Estate Appraisers.

11 Dated: Dec. 14, 2009

EDMUND G. BROWN JR.
Attorney General of California
JANICE LACHMAN
Supervising Deputy Attorney General

Original Signed

LORRIE M. YOST
Deputy Attorney General
Attorneys for Complainant

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19 10480131.doc

Exhibit A

Accusation No. C 071016-01

1 EDMUND G. BROWN JR., Attorney General
of the State of California
2 JANICE K. LACHMAN
Supervising Deputy Attorney General
3 LORRIE M. YOST, State Bar No. 119088
Deputy Attorney General
4 1300 I Street, Suite 125
P.O. Box 944255
5 Sacramento, CA 94244-2550
Telephone: (916) 445-2271
6 Facsimile: (916) 327-8643

7 Attorneys for Complainant

8 **BEFORE THE**
DIRECTOR OF THE OFFICE OF REAL ESTATE APPRAISERS
9 **OFFICE OF REAL ESTATE APPRAISERS**
STATE OF CALIFORNIA

11 In the Matter of the Accusation Against:

Case No. C 071016-01

12 FARAH H. GULPARAST
2067 Golden Leaf Lane
13 Tracy, CA 95377

A C C U S A T I O N

14 Real Estate Appraisers
Residential License No. AL038505

15 Respondent.

17 Complainant alleges:

18 PARTIES

19 1. Greg Harding (Complainant) brings this Accusation solely in his official
20 capacity as the Chief of Licensing and Enforcement of the Office of Real Estate Appraisers.

21 2. On or about November 28, 2007, the Director of the Office of Real Estate
22 Appraisers issued Real Estate Appraisers Residential License Number AL038505 to Farah H.
23 Gulparast. The real estate appraisers residential license was in full force and effect at all times
24 relevant to the charges brought herein and will expire on November 27, 2009, unless renewed.

25 JURISDICTION

26 3. This Accusation is brought before the Director of the Office of Real Estate
27 Appraisers (Director) for the Office of Real Estate Appraisers, under the authority of the

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1 following laws. All section references are to the Business and Professions Code unless otherwise
2 indicated.

3 4. Business and Professions Code section 11313 states, in pertinent part:

4 "The office [Office of Real Estate Appraisers] is under the supervision and control
5 of the secretary [secretary of the Business, Transportation and Housing Agency]. The duty of
6 enforcing and administering this part is vested in the director [director of the Office of Real
7 Estate Appraisers] and he or she is responsible to the secretary therefor. The director shall adopt
8 and enforce rules and regulations as are determined reasonably necessary to carry out the
9 purposes of this part."

10 5. Business and Professions Code section 11319 states:

11 "Notwithstanding any other provision of this code, the Uniform Standards of
12 Professional Appraisal Practice constitute the minimum standard of conduct and performance for
13 a licensee in any work or service performed that is addressed by those standards. If a licensee
14 also is certified by the Board of Equalization, he or she shall follow the standards established by
15 the Board of Equalization when fulfilling his or her responsibilities for assessment purposes."

16 6. California Code of Regulations, title 10, section 3701 states:

17 "Every holder of a license under this part shall conform to and observe the
18 Uniform Standards of Professional Appraisal Practice (USPAP) and any subsequent amendments
19 thereto as promulgated by the Appraisal Standards Board of The Appraisal Foundation which
20 standards are herein incorporated into these regulations by reference as if fully set forth herein."

21 7. California Code of Regulations, title 10, section 3705, subdivision (a),
22 states:

23 "Every appraisal report subject to the Uniform Standards of Professional
24 Appraisal Practice upon final completion shall bear the signature and license number of the
25 appraiser and of the supervising appraiser, if appropriate. The affixing of such signature and
26 number constitute the acceptance by the appraiser and supervising appraiser of full and personal
27 responsibility for the accuracy, content, and integrity of the appraisal under Standards Rules 1
28 and 2 of USPAP."

1 8. California Code of Regulations, title 10, section 3721 states:

2 "(a) The Director may issue a citation, order of abatement, assess a fine or private
3 or public reproof, suspend or revoke any license, and/or may deny the issuance or renewal of a
4 license of any person who has:

5

6 "(6) Violated any provision of USPAP;

7 "(7) Violated any provision of the Real Estate Appraisers' Licensing and
8 Certification Law, Part 3 (commencing with Section 11300) of Division 4 of the Business and
9 Professions Code, or regulations promulgated pursuant thereto; or any provision of the Business
10 and Professions Code applicable to applicants for or holders of licenses authorizing appraisals; .
11 .."

12 9. Business and Professions Code section 11409, subdivision (a) states:

13 "Except as otherwise provided by law, any order issued in resolution of a
14 disciplinary proceeding may direct a licensee, applicant for licensure, person who acts in a
15 capacity that requires a license under this part, course provider, applicant for course provider
16 accreditation, or a person who, or entity that, acts in a capacity that requires course provider
17 accreditation found to have committed a violation or violations of statutes or regulations relating
18 to real estate appraiser practice to pay a sum not to exceed the reasonable costs of investigation,
19 enforcement, and prosecution of the case."

20 10. USPAP 1 states:

21 "In developing a real property appraisal, an appraiser must identify the problem to
22 be solved and the scope of work necessary to solve the problem, and correctly complete research
23 and analysis necessary to produce a credible appraisal."

24 11. USPAP Standards Rule 1-1 states:

25 "In developing a real property appraisal, an appraiser must:

26 "(a) be aware of, understand, and correctly employ those recognized methods and
27 techniques that are necessary to produce a credible appraisal;

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1 "(b) not commit a substantial error of omission or commission that significantly
2 affects an appraisal; and

3 "(c) not render appraisal services in a careless or negligent manner, such as by
4 making a series of errors that, although individually might not significantly affect the results of
5 an appraisal, in the aggregate affect the credibility of those results."

6 12. USPAP Standards Rule 2-1(a) states:

7 "Each written or oral real property appraisal report must:

8 "(a) clearly and accurately set forth the appraisal in a manner that will not be
9 misleading.

10 13. USPAP Standards Rule 2-2(b)(vii) states:

11 "Each written real property appraisal report must be prepared under one of the
12 following three options and prominently state which option is used: Self-Contained Appraisal
13 Report, Summary Appraisal Report, or Restricted Use Appraisal Report.

14 STANDARD 1 and the reason for excluding any of the usual valuation approaches;

15

16 "(b) The content of a Summary Appraisal Report must be consistent with the
17 intended use of the appraisal, and, at a minimum;

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19 "(vii) summarize sufficient information to disclose to the client and any intended
20 users of the appraisal the scope of work used to develop the appraisal;

21 14. USPAP Standards Rule 2-3 states:

22 "Each written real property appraisal report must contain a signed certification
23 that is similar in content to the following form:

24 I certify that, to the best of my knowledge and belief:

- 25 -- the statements of fact contained in this report are true and correct.
- 26 -- the reported analyses, opinions, and conclusions are limited only by the
- 27 reported assumptions and limiting conditions and are my personal,
- 28 impartial, and unbiased professional analyses, opinions, and conclusions.

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- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
- no one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)"

15. The USPAP Ethics Rule states, in pertinent part:

"ETHICS RULE

"To promote and preserve the public trust inherent in professional appraisal practice, an appraiser must observe the highest standards of professional ethics. This ETHICS RULE is divided into four sections: Conduct, Management, Confidentiality, and Record

1 Keeping. The first three sections apply to all appraisal practice, and all four sections apply to
2 appraisal practice performed under Standards 1 through 10.

3 "Compliance with these standards is required when either the service or the
4 appraiser is obligated by law or regulation, or by agreement with the client or intended users, to
5 comply. In addition to these requirements, an individual should comply any time that individual
6 represents that he or she is performing the service as an appraiser.

7 "An appraiser must not misrepresent his or her role when providing valuation
8 services that are outside of appraisal practice.

9 "Conduct:

10 "An appraiser must perform assignments ethically and competently, in accordance
11 with USPAP and any supplemental standards agreed to by the appraiser in accepting the
12 assignment. An appraiser must not engage in criminal conduct. An appraiser must perform
13 assignments with impartiality, objectivity, and independence, and without accommodation of
14 personal interests.

15 "In appraisal practice, an appraiser must not perform as an advocate for any party
16 or issue.

17 "An appraiser must not accept an assignment that includes the reporting of
18 predetermined opinions and conclusions.

19 "An appraiser must not communicate results in a misleading or fraudulent
20 manner. An appraiser must not use or communicate a misleading or fraudulent report or
21 knowingly permit an employee or other person to communicate a misleading or fraudulent report.

22 "An appraiser must not use or rely on unsupported conclusions relating to
23 characteristics such as race, color, religion, national origin, gender, marital status, familial status,
24 age, receipt of public assistance income, handicap, or an unsupported conclusion that
25 homogeneity of such characteristics is necessary to maximize value. . . ."

26 AUSEON AVENUE PROPERTY

27 16. On or about April 1, 2007, Respondent completed a real estate appraisal
28 report for the property located at 2244 Auseon Avenue, Oakland, California (*Auseon Avenue*

1 *Property*). Respondent performed an appraisal of the property with a concluded value of
2 \$530,000.00. The report was intended for mortgages purposes. Respondent signed the
3 certificate as the (primary) "Appraiser" with her former trainer/supervisor's name, Cindy Aldrich,
4 and digital signature appearing as the "Supervisory Appraiser". Boxes on the certificate were
5 checked to indicate that Aldrich had inspected the interior/exterior of the Auseon Avenue
6 property and the exteriors of the comparable sales.

7 FIRST CAUSE FOR DISCIPLINE

8 (Misleading and Inaccurate Appraisal - Violating USPAP)

9 17. Respondent is subject to disciplinary action under Business and
10 Professions Code sections 11313, and 11319 and California Code of Regulations, title 10, section
11 3721, subdivision (a)(6), and 3721, subdivision (a)(7), for violating California Code of
12 Regulations, title 10, section 3701, in that on the Auseon Avenue Property, Respondent's
13 executed appraisal reports contained certain errors or omissions in violation of the USPAP
14 Standards Rules (SR) and Ethics Rule, as follows:

15 a. Respondent purported to have her supervisor's signature on the appraisal
16 report representing that the supervisor had participated in the appraisal when in fact, as
17 Respondent was aware, the supervisor had not participated in the appraisal.

18 KELLY AVENUE PROPERTY

19 18. On or about January 5, 2007, Respondent completed a real estate appraisal
20 report for the property located at 2679 Kelly Avenue, San Pablo, California (*Kelly Avenue*
21 *Property*). Respondent performed an appraisal of the property with a concluded value of
22 \$570,000.00. The report was intended for mortgages purposes. Respondent signed the
23 certificate as the (primary) "Appraiser" with her former trainer/supervisor's name, Cindy Aldrich,
24 and digital signature appearing as the "Supervisory Appraiser". Boxes on the certificate were
25 checked to indicate that Aldrich had inspected the interior/exterior of the Kelly Avenue property
26 and the exteriors of the comparable sales.

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3. Taking such other and further action as deemed necessary and proper.

DATED: 5/30/08

Original Signed

GREG HARDING
Chief of Licensing and Enforcement
Office of Real Estate Appraisers
State of California
Complainant

SA2008100603

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