



BOBBY JINDAL
GOVERNOR

State of Louisiana
LOUISIANA REAL ESTATE APPRAISERS BOARD

December 17, 2015

Mr. Dean B. Kelker
c/o Mr. Robert L. Rieger, Jr.
Adams and Reese LLP
450 Laurel Street, Suite 1900
Baton Rouge, Louisiana 70801

Re: Formal Adjudicatory Hearing
Case Number: 2014-1500
Louisiana Real Estate Appraisers Board v. iMortgage Services, LLC

Dear Mr. Rieger:

Enclosed you will find the Findings of Fact, Conclusions of Law, and Order in the above referenced matter. This document was mailed to you earlier in the week, however, although the letter had the correct case number there was an incorrect case number listed on the Findings of Fact.

As per LSA-R.S. 49:959, an application for rehearing, review or reconsideration by the Board must be postmarked or received at the office of the Board not later than ten (10) days from the date of entry, which was December 14, 2015. If you have any questions or concerns please do not hesitate to contact me.

Sincerely,

DELATTE, EDWARDS & MARCANTEL


Arlene C. Edwards
Attorney for the Louisiana Real Estate Appraisers Board

enclosure

Louisiana Real Estate Appraisers Board

State of Louisiana

Versus

iMortgage Services, LLC (AMC.0021)

Case No. 2014-1500

**FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND ORDER**

This matter came on for hearing December 8, 2015. Present were Judge Darrell White, Hearing Officer and Board Members: Roland M. Hall, Sr., Michael A. Graham, Janis M. Bonura, Timothy W. Hammett, Newton J. "Butch" Landry, Tommie E. McMorris, Sr., James R. Purgerson, Jr., and Clayton F. Lipscomb. Evidence was presented by Arlene Edwards, Hearing Examiner on behalf of the Board.

After due deliberation, the Board finds and orders as follows:

FINDINGS OF FACT

1. That iMortgage Services, LLC was issued a Louisiana Appraisal Management Company License for the periods January 1, 2013 through December 31, 2013 (AMC.0021), January 1, 2014 through December 31, 2014, and from January 1, 2015 through December 31, 2015.
2. That between December 1, 2013 and June 30, 2014, iMortgage Services, LLC provided nine (9) separate real estate appraisal assignments on property located in Louisiana during the time period of December 1, 2013 through June 30, 2014; that on each of the separate instances wherein iMortgage provided the nine (9) assignments, iMortgage failed to use established fees set by an objective third party or to use the factors set forth in Section 31101, in violation of LSA-R.S.37:3415.19. (1) and (2), LSA-R.S.37: 3415.15 and Section 31101 of the Rules and Regulations of the Louisiana Real Estate Appraisers Board.

CONCLUSIONS OF LAW

The Louisiana Real Estate Appraisers Board makes and enters the following conclusions of law:

1. That iMortgage Service, LLC is in violation of the following provisions of the Louisiana Revised Statutes.

LSA-R.S. 37:3419. Enforcement

A. The board may censure an appraisal management company, conditionally or unconditionally suspend, or revoke any license issued under this Chapter, levy fines or impose civil penalties not to exceed fifty thousand dollars, if in the opinion of the board, an appraisal management company is attempting to perform, is performing, has performed, or has attempted to perform any of the following acts:

- (1) Committing any act in violation of this Chapter.
- (2) Violating any rule or regulation adopted by the board in the interest of the public and consistent with the provisions of this Chapter.

LSA-R.S. 37:3415.15. Fees; customary and reasonable; disclosure

A. An appraisal management company shall compensate appraisers at a rate that is customary and reasonable for appraisals being performed in the market area of the property being appraised, consistent with the presumptions of compliance under federal law.

Chapter 311. Compensation of Fee Appraisers

§31101. General Provisions; Customary and Reasonable Fees; Presumptions of Compliance

A. Licensees shall compensate fee appraisers at a rate that is customary and reasonable for appraisal services performed in the market area of the property being appraised and as prescribed by R.S. 37:3415.15(A). For the purposes of this Chapter, market area shall be identified by zip code, parish, or metropolitan area.

1. Evidence for such fees may be established by objective third-party information such as government agency fee schedules, academic studies, and independent private sector surveys. Fee studies shall exclude assignments ordered by appraisal management companies.
2. The board, at its discretion, may establish a customary and reasonable rate of compensation schedule for use by any licensees electing to do so.
3. Licensees electing to compensate fee appraisers on any basis other than an established fee schedule as described in Paragraphs 1 or 2 above shall, at a minimum, review the factors listed in §31101.B.1-6 on each assignment made, and make appropriate adjustments to recent rates paid in the relevant geographic market necessary to ensure that the amount of compensation is reasonable.

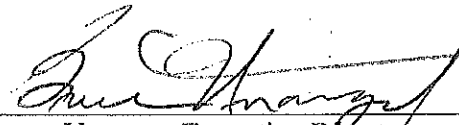
B. A licensee shall maintain written documentation that describes or substantiates all methods, factors, variations, and differences used to determine the customary and reasonable fee for appraisal services conducted in the geographic market of the appraisal assignment. This documentation shall include, at a minimum, the following elements:

1. the type of property for each appraisal performed;
2. the scope of work for each appraisal performed;
3. the time in which the appraisal services are required to be performed;
4. fee appraiser qualifications;
5. fee appraiser experience and professional record; and
6. fee appraiser work quality.

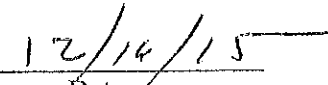
ORDER

In conjunction with the foregoing Findings of Fact and Conclusions of Law, the Louisiana Real Estate Appraisers Board makes and enters the following Order:

That iMortgage Services, LLC be censured for the violations committed; that iMortgage Services, LLC pay a fine in the amount of \$10,000.00 and the administrative costs of this adjudicatory proceeding to the Louisiana Real Estate Appraisers Board no later than March 21, 2016; that iMortgage Services, LLC license be suspended for a period of six (6) months with a stay of enforcement be placed on this suspension pending iMortgage Services, LLC providing the Board with a compliance plan to be reviewed and approved by the Board prior to March 21, 2016; and, that if a plan is not provided and approved that the stay of enforcement will be lifted and the suspension enacted.



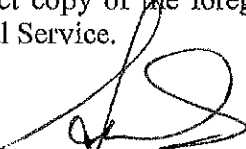
Bruce Unangst, Executive Director



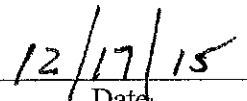
Date

CERTIFICATE

I, Arlene Edwards, legal counsel for the Louisiana Real Estate Appraisers Board, do certify that I have this date, mailed to the respondent, iMortgage Services, LLC, c/o Robert Rieger, a true and correct copy of the foregoing Order of the Board by certified mail through the United States Postal Service.



Arlene Edwards, Attorney at Law



Date