

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
JOHN O. PASTORE CENTER
1511 PONTIAC AVENUE
CRANSTON, RHODE ISLAND 02920**

IN THE MATTER OF: :
 :
MICHAEL PINTO, : DBR No. 09-L-0224
 :
RESPONDENT. :
_____ :

CONSENT AGREEMENT

The Department of Business Regulation ("Department") and Michael Pinto ("Respondent") hereby agree that:

1. Respondent is a Licensed Appraiser, holding License Number A00946L, pursuant to R.I. Gen. Laws § 5-20.7-1, *et seq.*
2. The Real Estate Appraisers Board ("Board") had investigated Respondent's appraisal of the property located at 349 Hope Street, Providence, Rhode Island, with an effective date of November 27, 2006 (the "Appraisal").
3. Respondent met with the Board on August 5, 2009 to answer questions raised during its investigation regarding the Appraisal.
4. Based upon its investigation and its informal meeting with Respondent, the Board found probable cause that the Appraisal did not conform to the Uniform Standards of Professional Appraisal Practice ("USPAP") for the following reasons:

a. Respondent's estimate of market value in the Appraisal was overstated as a result of the misapplication of the Sales Comparison Approach and the associated adjustment process.

b. Respondent utilized sales of properties in superior locations to that of the subject property and failed to utilize more appropriate comparable sales which would have resulted in a significantly lower value estimate;

c. Respondent did not adequately describe or otherwise address existing property damage resulting from a fire in the subject property, which would have significantly affected the values contained in the appraisal report.

5. Given the conduct above, the Board determined that Respondent has violated the following rules of USPAP:

- a. The Conduct Section of the Ethics Rule, which provides that an appraiser must not use or communicate a misleading or fraudulent report;
- b. Standards Rule 1-1(b), which provides that in developing a real property appraisal, an appraiser must not commit a substantial error of omission or commission that significantly affects an appraisal;
- c. Standards Rule 1-4(a), which provides that when a sales comparison approach is necessary for credible assignment results, an appraiser must analyze such comparable sales data as are available to indicate a value conclusion;
- d. Standards Rule 2-1(a), which provides that each written or oral real property appraisal report must clearly and accurately set forth the appraisal in a manner that will not be misleading.

6. Pursuant to R.I. Gen. Laws § 5-20.7-19, a certified or licensed real estate appraiser must comply with the Uniform Standards of Professional Appraisal Practice ("USPAP") as promulgated by the Appraisal Standard Board of the Appraisal Foundation.

7. Pursuant to R.I. Gen. Laws § 5-20.7-19, the Department has cause to initiate administrative proceedings to sanction Respondent's license via suspension or revocation or otherwise pursuant to R.I. Gen. Laws § 5-20.7-20(2).

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

a. Respondent's Appraiser license shall be suspended for a period of ninety (90) days, beginning on the date of execution of this Consent Agreement by the Department and ending exactly 90 days thereafter;

b. Respondent shall remit a \$1,000.00 administrative penalty, payable to the Rhode Island General Treasurer, sent to the Department within thirty (30) days after execution of this Consent Agreement by the Department.

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

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

Department of Business Regulation
By its Legal Counsel:

Respondent:

Ellen R. Balasco
Ellen R. Balasco, Esq.
Deputy Chief of Legal Services

Michael Pinto
Michael Pinto

Date: 1/14/10

Date: 1/6/10

CERTIFICATION

I hereby certify that a true copy of this Consent Agreement, duly executed, was sent by first class mail, postage prepaid, on the 14th day of January, 2009 to the Respondent, Michael Pinto, at Post Office Box 891, Scituate, Rhode Island 02857, and was also sent by electronic mail to the following parties at the Department of Business Regulation:
Maria D'Alessandro, Associate Director - Commercial Licensing
William DeLuca, Acting Administrator - Real Estate
Leslie Pratt, Licensing Aide - Real Estate

Ellen R. Balasco