

**STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
BOARD OF REAL ESTATE APPRAISERS**

**DEPARTMENT OF LABOR
& ECONOMIC GROWTH,
BUREAU OF COMMERCIAL SERVICES**

**Docket No. 2004-155
Complaint No. 85448**

Complainant,

v

**TERRY ENOCH HAWKINS
State Licensed Real Estate Appraiser
License No. 12-01-001170 (Lapsed)**

Respondent.

_____ /

FINAL ORDER

WHEREAS, this matter having come before the Michigan State Board of Real Estate Appraisers, hereafter the "Board," on December 7, 2004;

WHEREAS, the Board having considered the Findings of Fact and Conclusions of Law in the Hearing Report of James L. Karpen, Administrative Law Judge, dated August 4, 2004, hereafter the "Hearing Report";

WHEREAS, the Board having received the Hearing Report under MCL 339.514 and Terry Enoch Hawkins, State Licensed Real Estate Appraiser, License No. 12-01-001170 (Lapsed), hereafter "Respondent," having been found in violation of Sections 604(b) and 604(d) of the Michigan Occupational Code, 1980 P.A. 299, *as amended*, hereafter the "Code," MCL 339.604(b) and MCL 339.604(d);

WHEREAS, the Board, after considering the Hearing Report, exercises its authority and discretion pursuant to MCL 339.309 and 339.514, to make its own determination of penalty to be assessed under Article 6, independent of the recommendation of the Administrative Law Judge; now therefore:

IT IS HEREBY ORDERED, that the following penalties authorized by Section 602 of the Code are hereby imposed:

- 1. Respondent shall pay a FINE in the amount of Ten Thousand Dollars and 00/100 Cents (\$10,000.00). The fine shall be paid to the Department of Labor & Economic Growth within sixty (60) days from the mailing date of this Final Order. Payment shall be made by cashier's check or money order, with Complaint No. 85448 clearly indicated on the check or money order; payable to the State of Michigan and mailed to the Department of Labor & Economic Growth, Bureau of Commercial Services, Enforcement**

Division, Office of Audit and Administrative Services, P.O. Box 30185,
Lansing, Michigan 48909.

2. The license of Respondent Terry Enoch Hawkins, State Licensed Real Estate Appraiser, License No. 12-01-001170 (Lapsed), shall be and hereby is IMMEDIATELY REVOKED, effective the mailing date of this Final Order.
3. Respondent's failure to comply with each and every term and condition of this Final Order shall result in denial by the Department of any future application filed by Respondent for individual or corporate licensure, relicensure, renewal, registration or reinstatement, until such time as the fine imposed by this Final Order has been paid-in-full. MCL 339.204(c)
4. Respondent shall submit in writing to the Michigan Department of Labor & Economic Growth, Bureau of Commercial Services, Office of Audit and Administrative Services, P.O. Box 30018, Lansing, MI 48909, proof of compliance with each and every requirement of this Final Order, in a form acceptable to the Department.

This Final Order shall not be construed as limiting the Department of Labor & Economic Growth, any other agency of the State of Michigan or any individual as to the use of a lawful method of collection of the payment imposed by this Final Order.

Failure to comply with the provisions of this Final order is a violation of the Code pursuant to Section 604(k) and may result in further disciplinary action.

This Final Order is effective immediately upon its mailing.

Given under my hand at Okemos, Michigan, this ____ day of _____, 2005.

BY: _____

David C. Maturen, Chairperson

Date mailed: _____

Proof of Compliance shall be filed with:

Department of Labor & Economic Growth
Bureau of Commercial Services
Enforcement Division
Office of Audit and Administrative Services
P.O. Box 30018
Lansing, MI 48909

**STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
BUREAU OF HEARINGS**

In the matter of

Docket No. 2004-155

**Bureau of Commercial Services,
Petitioner**

Agency No. 85448

**v
Terry Enoch Hawkins,
Respondent**

Agency: Bureau of Commercial Services

Case Type: Sanction

_____ /

**Issued and entered
this 4th day of August, 2004
by James L. Karpen
Administrative Law Judge**

HEARING REPORT

PROCEDURAL HISTORY

Appearances: Michael A. Lockman, Assistant Attorney General, appeared on behalf of Petitioner, Bureau of Commercial Services. Respondent Terry E. Hawkins appeared *pro se*.

This case stems from an August 18, 2003 Formal complaint which disclosed that Petitioner is licensed as a real estate appraiser under the Occupational Code, 1980 PA 288, as amended, MCL 339.101 *et seq.* (Code). The Complaint alleges that on April 14, 2003 Respondent was convicted in the United States District Court, Western District of Michigan based upon his plea of guilty of "bank fraud," 18 USC 1344(2). The Complaint further asserts that Respondent's conviction was based on his submission of fraudulent real estate appraisals to federally insured financial institutions.

The Complaint avers that Respondent's conviction and underlying conduct demonstrate a lack of good moral character, contrary to Section 604(d) of the Code. The complaint also asserts that Respondent's conviction establishes a violation of Section 604(b) of the Code (fraud, deceit or dishonesty in practicing an occupation).

After one adjournment, the hearing was held as rescheduled on July 30, 2004.

ISSUES AND APPLICABLE LAW

Sec. 604(b), (d) provide as follows:

Sec. 604. A person who violates 1 or more of the provisions of an article which regulates an occupation or who commits 1 or more of the following shall be subject of the penalties prescribed in section 602:

* * *

(b) Practices fraud, deceit, or dishonesty in practicing an occupation.

* * *

(d) Demonstrates a lack of good moral character.

Good moral character is defined in MCL 338.41(1) as follows:

Sec. 1. (1) The phrase "good moral character", or words of similar import, when used as a requirement for an occupational or professional license or when used as a requirement to establish or operate an organization or facility regulated by this state in the Michigan Compiled Laws or administrative rules promulgated under those laws shall be construed to mean the propensity on the part of the person to serve the public in the licensed area in a fair, honest, and open manner.

SUMMARY OF THE EVIDENCE

Respondent was the only witness to testify at the hearing. Respondent admitted his conviction (Exhibit 1) as alleged in the Complaint. Respondent stated that he submitted appraisals on 12 properties he owned to two different financial institutions. The appraisals on the twelve properties totaled approximately \$500,000.00.

FINDINGS OF FACT

1. Respondent, Terry E. Hawkins, is licensed as a real estate appraiser under the Code.
2. On April 14, 2003 Respondent pled guilty and was convicted in U.S. District Court, Western District of Michigan, of two counts of "bank fraud," 18 USC 1344(2).
3. Respondent's conviction was based on his submission to two financial institutions of 12 appraisals on 12 properties he owned.
4. Respondent's conviction demonstrates a lack of good moral character.
5. Respondent's conviction also demonstrates fraud, deceit or dishonesty in the practice of a real estate appraiser.

CONCLUSIONS OF LAW

Based upon the findings of fact, Petitioner has proven by a preponderance of the evidence that Respondent violated Sections 604(b) and (d) of the Code.

RECOMMENDATION

I recommend that Respondent's appraiser's license be revoked.

James L. Karpen
Administrative Law Judge