

DISCIPLINARY REPORT

May 16, 2013

AB 12-16, AB 12-17, AB 12-18 On March 21, 2013, the Board approved a Consent Settlement Order with Certified General appraiser, Nona R. Andrews, G00334, where the Licensee agreed to pay an administrative fine of \$1875 and surrender her Mentor status on March 31, 2013. The violations in the three reports are as follows: **AB 12-16:** The Licensee did not develop or consider the Cost Approach to value and for a reason stated “The VA does not require the Cost Approach”. An appraiser must consider all approaches to value and the exclusion of an approach must have justification. The Licensee stated that “The income approach was not applicable to this assignment therefore it was neither considered nor developed”. Licensee did not have market based data or other support for the adjustments utilized in the Sales Comparison Approach for Gross Living Area, unfinished basement area and finished basement area, and the Licensee did not demonstrate that there was sufficient understanding to correctly employ the approach. Because the Licensee did not consider or develop the Cost and Income Approaches or explain why the approaches were not applicable to the assignment, the Licensee did not demonstrate that there was significant understanding to correctly employ the approaches. An appraiser must avoid making an unsupported assumption or premise about market area trends, effective age, and remaining life. Licensee made an unsupported assumption that the subject 34 year old home had an effective age of 15 years. Licensee failed to verify the comparable sales utilized in the Sales Comparison Approach. Licensee failed to provide sufficient information on the Market Conditions in the neighborhood section, justification for the effective age, and adjustments utilized in the Sales Comparison Approach to enable the intended user to understand the report properly. **Violation: Scope of Work Rule, Standard Rules: 1-1(a), 1-3(a), 1-4(a), 2-1(b), USPAP, 2010-2011 Edition.**

AB 12-17: The Licensee did not develop or consider the Cost Approach to value and for a reason stated “The VA does not require the Cost Approach”. An appraiser must consider all approaches to value and the exclusion of an approach must have justification. The Licensee stated that “The income approach was not applicable to this assignment therefore it was neither considered nor developed”. Licensee did not have market based data or other support for the adjustments utilized in the Sales Comparison Approach for Gross Living Area, unfinished basement area and finished basement area, and the Licensee did not demonstrate that there was sufficient understanding to correctly employ the approach. Because the Licensee did not consider or develop the Cost and Income Approaches or explain why the approaches were not applicable to the assignment, the Licensee did not demonstrate that there was significant understanding to correctly employ the approaches. An appraiser must avoid making an unsupported assumption or premise about market area trends, effective age, and remaining life. Licensee made an unsupported assumption that the subject 34 year old home had an effective age of 15 years. Licensee failed to verify the comparable sales utilized in the Sales Comparison Approach. Licensee failed to provide sufficient information on the Market Conditions in the neighborhood section, justification for the effective age, and adjustments utilized in the Sales Comparison Approach to enable the intended user to understand the report

properly. **Violation: Scope of Work Rule, Standard Rules: 1-1(a), 1-3(a), 1-4(a), 2-1(b), USPAP, 2010-2011 Edition.**

AB 12-18: The Licensee did not develop or consider the Cost Approach to value and for a reason stated “The VA does not require the Cost Approach”. An appraiser must consider all approaches to value and the exclusion of an approach must have justification. The Licensee stated that “The income approach was not applicable to this assignment therefore it was neither considered nor developed”. Licensee did not have market based data or other support for the adjustments utilized in the Sales Comparison Approach for Gross Living Area, unfinished basement area and finished basement area, and the Licensee did not demonstrate that there was sufficient understanding to correctly employ the approach. Because the Licensee did not consider or develop the Cost and Income Approaches or explain why the approaches were not applicable to the assignment, the Licensee did not demonstrate that there was significant understanding to correctly employ the approaches. An appraiser must avoid making an unsupported assumption or premise about market area trends, effective age, and remaining life. Licensee made an unsupported assumption that the subject 34 year old home had an effective age of 15 years. Licensee failed to verify the comparable sales utilized in the Sales Comparison Approach. Licensee failed to provide sufficient information on the Market Conditions in the neighborhood section, justification for the effective age, and adjustments utilized in the Sales Comparison Approach to enable the intended user to understand the report properly. **Violation: Scope of Work Rule, Standard Rules: 1-1(a), 1-3(a), 1-4(a), 2-1(b), USPAP, 2010-2011 Edition.**