

DISCIPLINARY REPORT

September 16, 2021

AB-20-07 On July 16, 2021, the Board approved a Consent Settlement Order with a Licensed Real Property appraiser on a residential appraisal report. The appraiser received a private reprimand and is required to complete a 15 hour USPAP course that cannot be used for continuing education or license upgrade. The violations in the report were: It appears that because this assignment is a "desk top" appraisal using a program that requires minimal actual input from the appraiser and because the fee for the assignment was \$52.00 that the appraiser ignored the basic principles of USPAP resulting in the violations cited in the remainder of this document. The third-party report on the inspection of the subject property that was relied on by the licensee was not included in the appraisal report or in the licensee's work file. Licensee states that "supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's original file. A review of the licensee's work file only revealed data sheets from CoreLogic, CRS Power Tool Courthouse Retrieval System and MLS files. There was no reasoning or analysis of data in the work file. Licensee did not determine the type and extent of analyses applied to arrive at credible opinions and conclusions. Licensee had no support or documentation for the opinion of s value. Licensee used what he called a modified sales comparison approach but did not explain how it worked or demonstrate that it was based on market data. This makes the sales comparison approach non-credible due to lack of support. This indicates that the licensee did not correctly employ the sales comparison approach to value to produce a credible appraisal. Licensee did not determine the type and extent of analyses applied to arrive at credible opinions and conclusions. Licensee had no support or documentation for the opinion of site value. Licensee did not properly research and analyze the data and understand the program used to make credibly market adjustments to the comparable sales utilized in the sales comparison approaches to value in the appraisal. Licensee's reporting of data and opinions and conclusions that were not supported by relevant evidence or logic make this report misleading. Licensee's report failed to have sufficient information to support by relevant evidence and logic the licensee's opinions and conclusions and therefore the intended users could not properly understand the report properly. Licensee used what he called a modified sales comparison approach but did not explain how it worked or demonstrate that it was based on market data. This makes the sales comparison approach non-credible due to lack of support. This indicates that the licensee did not correctly employ the sales comparison approach to value to produce a credible appraisal. The licensee stated that the cost approach and the income approach were not developed in the appraisal because neither is necessary for credible results. Exclusion of the cost and income approach to value must have a valid reason for the exclusion and the licensee's reasoning is not credible. **Violations: PREAMBLE; RECORD KEEPING RULE; SCOPE OF WORK RULE; Standards Rules 1-1(a); 1-2(h); 1-4(a); 2-1(a); 2-1(b); 2-2(a)(viii), USPAP 2018-2019 Ed.**