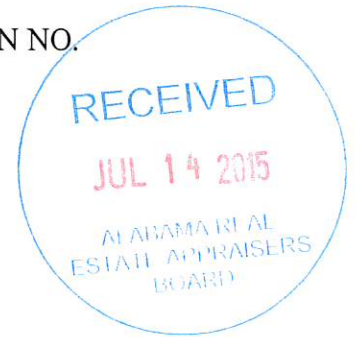


BEFORE THE STATE OF ALABAMA REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF:)
)
MILLISSA M. ALLEN) DISCIPLINARY ACTION NO.
) AB-13-56
ALABAMA LICENSE NO. R00919)



CONSENT SETTLEMENT ORDER

The Licensee, Millissa M. Allen, Alabama License No. R00919, practicing as a Certified Residential Real Property Appraiser in the State of Alabama (hereinafter "Licensee") and the Alabama Real Estate Appraisers Board (hereinafter "Board") hereby settle and resolve the violations of §§34-27A-1, et seq., Code of Alabama, 1975 and the Uniform Standards of Professional Appraisal Practice (hereinafter "USPAP"), 2012-2013 Edition, in Licensee's appraisal dated October 16, 2013, of the real property and improvements identified as 694 Co. Rd. 75, Bakerhill, AL 36027.

These violations are more specifically as follows:

2012-2013 USPAP

Effective January 1, 2012 through December 31, 2013

RECORD KEEPING RULE

An appraiser must prepare a workfile for each appraisal, or appraisal review, or appraisal consulting assignment. A workfile must be in existence prior to the issuance of any report. A written summary of an oral report must be added to the workfile within a reasonable time after the issuance of the oral report.

The workfile must include:

* * *

- *true copies of any written reports, documented on any type of media. (A true copy is a replica of the report transmitted to the client. A photocopy or an electronic copy of the entire report transmitted to the client satisfies the requirement of a true copy.);*
- *all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other documentation; and*

* * *

Licensee failed to prepare a complete workfile for the appraisal assignment. Licensee's workfile did not contain: (1) a "true copy" of an appraisal report transmitted to the client, at the time of the appraisal assignment; (2) support of site value in the Cost Approach; (3) some of the data/information analyzed in the Cost Approach; (4) some of the data/information analyzed in the Sales Comparison Approach; and (5) plans, specifications or other document sufficient to identify the extent and character of the proposed improvements to be completed in a "Subject to Completion" appraisal.

Standards Rule 1-4(a)

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results.

* * *

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results.

- (a) *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.*

* * *

Licensee failed to identify the complete characteristics and attributes of the subject and comparable sale properties analyzed along with analyzing supported data and cost figures.

Licensee made a \$7,500 adjustment for site with no adjustments for location, view or other market difference between the Subject and comps land area.) (The \$7,500 adjustment was across the comp grid without supporting documentation. Licensee in Comparable #4 and Comparable #5 (listings) failed to analyze the active listings list to sale ratio, when the information within the appraisal report supported a list to sell adjustment of 5%. Licensee, in Comparable #2, failed to analyze a 30 x 40 metal concrete floored building equipped with water and power. Licensee, in Comparable #4/GLA section, analyzed the square footage of 1,500 square foot when the data source provided for 1,981 square feet where the source of the square footage is from an appraisal. Licensee's workfile did not support the 1,500 square feet analyzed as GLA.

Standards Rule 1-6(b)

In developing a real property appraisal, an appraiser must:

- (b) *reconcile the applicability and relevance of the approaches, methods and techniques used to arrive at the value conclusion(s).*

Licensee, in the reconciliation, failed to reconcile the relevance of the Income Approach not being employed within the appraisal assignment by not explaining the reason for the exclusion.

STANDARD 2: REAL PROPERTY APPRAISAL, REPORTING

In reporting the results of a real property appraisal, an appraiser must communicate each analysis, opinion, and conclusion in a manner that is not misleading.

Standards Rule 2-1(a)

Each written or oral real property appraisal report must:

(a) clearly and accurately set forth the appraisal in a manner that will not be misleading;

* * *

Licensee failed to clearly and accurately set forth the written appraisal in a manner that was not misleading. Licensee, in the Neighborhood/Neighborhood Boundaries section, failed to accurately describe the neighborhood named in the Subject/Neighborhood Name section of the appraisal report. Licensee, in the Improvements/Describe Condition section, provided there were no updates in the prior 15 years when the home was under construction (*work in progress*) and less than 15 years old.

Standards Rule 2-1(b)

Each written or oral real property appraisal report must:

* * *

(b) contain sufficient information to enable the intended users of the appraisal to understand the report properly; and

* * *

Licensee failed to provide sufficient information to enable the intended user(s) of the written appraisal report to understand the report properly. Licensee, in the Site/Highest & Best Use section, failed to summarize the information that was analyzed to support Licensee's opinion and conclusions of the highest and best use of the Subject property being the present use. Licensee, in the Improvements/Describe Condition section, listed several items that needed to be completed for the home. Licensee failed to provide specific information of what was required for these items to be completed. (e.g. "Kitchen need to be completed".) Licensee, in the

Improvements/Exterior/Materials/Storm Sash-Insulated and Screens sections, failed to provide the construction materials used. Licensee, in the Sales Comparison Approach/Energy Efficient Items section, provided the generic term “average” without providing the actual energy efficient items analyzed or what would be considered as “average” for energy efficient items within the local real estate market. Licensee, in the Sales Comparison Approach/Comparable #4/Sales-Transfer History section, failed to provide the relevant information of a prior sale within a year of the analyzed comparable. *(Listing comparable)* Licensee, in the Income Approach section, failed to explain the reason the Income Approach was not applicable and was excluded. Licensee, in the Cost Approach section, failed to provide support *(data/ information)* of the opinion of site value provided. Licensee, in the Comparable Photograph Addendum section, failed to provide the source of the photos that were not Licensee taken photos. *(e.g. MLS photos)*

Standards Rule 2-2(b)(vii)

Each written real property appraisal report must be prepared under one of the following three options and prominently state which option is used: Self-Contained Appraisal Report, Summary Appraisal Report, or Restricted Use Appraisal Report.

* * *

(b) The content of a Summary Appraisal Report must be consistent with the intended use of the appraisal and, at a minimum:

* * *

(vii) summarize the scope of work used to develop the appraisal;

* * *

Licensee failed to summarize the scope of work necessary to enable the intended user to be properly informed and not mislead about the research and analysis performed and also the research and analysis not performed within the appraisal.

Standards Rule 2-2(b)(viii)

Each written real property appraisal report must be prepared under one of the following three options and prominently state which option is used: Self-Contained Appraisal Report, Summary Appraisal Report, or Restricted Use Appraisal Report.

* * *

(b) The content of a Summary Appraisal Report must be consistent with the intended use of the appraisal and, at a minimum:

* * *

(viii) summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions; exclusion of the sales comparison approach, cost approach, or income approach must be explained;

* * *

Licensee failed to summarize the reasoning that supports Licensee's analyses, opinions and conclusions within the appraisal report. Licensee failed to summarize the information analyzed to support Licensee's opinion and conclusions of the highest and best use of the Subject property being the present use. Licensee failed to summarize the information analyzed to support Licensee's opinion and conclusions of the opinion of site value. Licensee failed to explain the exclusion of the Income Approach, within the appraisal. Licensee

Standards 2-2(b)(ix)

Each written real property appraisal report must be prepared under one of the following three options and prominently state which option is used: Self-Contained Appraisal Report, Summary Appraisal Report, or Restricted Use Appraisal Report.

* * *

(b) The content of a Summary Appraisal Report must be consistent with the intended use of the appraisal and, at a minimum:

* * *

(ix) state the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal; and, when an opinion of highest and best use was developed by the appraiser, summarize the support and rationale for that opinion;

* * *

Licensee failed to summarize support and rationale for the opinion of highest and best use developed by Licensee.

The above constitute violations of §34-27A-20(a)(6), Code of Alabama, 1975.

Pursuant to §34-27A-5; §34-27A-20; §34-27A-21, §34-27A-22, and §§41-22-1, et. seq. Code of Alabama, 1975 and §780-X-14-.02, Alabama Real Estate Appraisers Board Administrative Code, March 2009 Edition, Licensee and the Board agree to the following:

A. Licensee admits the factual allegations as set out above and further admits that said facts constitute violations of §34-27A-20(a), Code of Alabama, 1975, and USPAP as set out above.

B. Licensee agrees to pay an administrative fine of \$1,000 to the Board within 90 days of the acceptance of this Consent Settlement by the Board. This represents a \$125 fine for

each of the eight USPAP standards and rules violated. For purposes of computing this fine, only one violation of each standard has been assessed.

C. Licensee shall complete a Board approved fifteen hour USPAP course with exam within two months of the final execution and acceptance of this Consent Settlement Order. Said course(s) may not be claimed by Licensee as continuing education or as qualifying education for upgrade of her license.

D. The Licensee understands that she has the right to a hearing in this matter and hereby freely, knowingly, and voluntarily waives such right and the right to judicial review of these proceedings. The Licensee further understands that disciplinary action is progressive in nature and that this disciplinary action will be considered should any future discipline be warranted. This voluntary agreement shall become effective immediately upon acceptance thereof by the Board. In the event that this Consent Settlement of the violations enumerated herein is not accepted by Licensee, the Board will proceed to take formal action and issue a summons and complaint. The Licensee shall have the right to withdraw any plea of guilt to the violation, if applicable.

E. The Licensee, Millissa M. Allen, understands that this document will be considered a public record entered as a final disposition of disciplinary proceedings presently pending against her, and that this action shall be considered to be and will be recorded as a final order of the Board.

EXECUTED this the 10 day of July, 2015.

Milissa M. Allen
MILLISSA M. ALLEN
LICENSEE

SWORN to and subscribed before me this the 17 day of Sept., 2015.

Notary Public
My Commission Expires: _____

APPROVED AND ACCEPTED, by the Alabama Real Estate Appraisers Board on the 17
day of Sept., 2015.

ALABAMA REAL ESTATE
APPRAISERS BOARD

BY:

Lisa Brooks
LISA BROOKS
EXECUTIVE DIRECTOR