

BEFORE THE STATE OF ALABAMA REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF:)
)
NONA R. ANDREWS) DISCIPLINARY ACTION NO.
) AB-12-16, AB-12-17, AB-12-18
ALABAMA LICENSE NO. G00334)

CONSENT SETTLEMENT ORDER

The Licensee, Nona R. Andrews, Alabama License No. G00334, practicing as a Certified General 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"), 2010-2011 Edition, in Licensee's appraisal dated September 26, 2011, of the real property and improvements identified as 100 Briarwood Drive, Talladega, AL 35160 (AB-12-16); 2010-2011 Edition, in Licensee's appraisal dated July 11, 2011, of the real property and improvements identified as 513 Eagle Pointe Lane, Pell City, AL 35128-7274 (AB-12-17); and 2010-2011 Edition, in Licensee's appraisal dated February 3, 2011, of the real property and improvements identified as 417 Pearl Lake Road, Springville, AL 35146-6028 (AB-12-18).

These violations are more specifically as follows:



SCOPE OF WORK RULE

For each appraisal, appraisal review, and appraisal consulting assignment, an appraiser must:

- 1. identify the problem to be solved;*
- 2. determine and perform the scope of work necessary to develop credible assignment results; and*
- 3. disclose the scope of work in the report.*

An appraiser must properly identify the problem to be solved in order to determine the appropriate scope of work. The appraiser must be prepared to demonstrate that the scope of work is sufficient to produce credible assignment results.

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”.

STANDARD 1: REAL PROPERTY APPRAISAL, DEVELOPMENT

In developing a real property appraisal, an appraiser must identify the problem to be solved, determine the scope of work necessary to solve the problem, and correctly complete research and analyses necessary to produce a credible appraisal.

Standards Rule 1-1(a)

In developing a real property appraisal, an appraiser must:

- (a) *be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal;*

* * *

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.

Standards Rule 1-3(a)

When necessary for credible assignment results in developing a market value opinion, an appraiser must:

- (a) *identify and analyze the effect on use and value of existing land use regulations, reasonably probable modifications of such land use regulations, economic supply and demand, the physical adaptability of the real estate, and market area trends; and*

* * *

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.

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.

(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 verify the comparable sales utilized in the Sales Comparison Approach.

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(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 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.

2010-2011 USPAP

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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 \$1,875 to the Board within 30 days of the acceptance of this Consent Settlement by the Board. This represents a \$125 fine for each of the 15 USPAP standards violated (5 standards in each report). For purposes of computing this fine, only one violation of each standard in each report has been assessed.

C. The Licensee's Mentor status to supervise Trainee appraisers is surrendered effective March 31, 2013 and Licensee will not supervise or sign reports of real property appraisals in any supervisory capacity.


D. The Licensee further agrees that if the conditions set forth in this Consent Settlement Order are not complied with in a timely manner, her license will be suspended without notice and opportunity for a hearing until such time as compliance is complete. In the event of a suspension pursuant to this provision, notification and publication of the suspension shall be made to the Appraiser Subcommittee and as otherwise provided for in the AREAB Administrative Code, 780-X-14-.07.

(page 11 amended 03/05/2013)

E. 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.

F. The Licensee, Nona R. Andrews, 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 5th day of March, 2013.


NONA R. ANDREWS, LICENSEE

SWORN to and subscribed before me this the 5th day of March, 2013.



Notary Public

My Commission Expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: June 9, 2015
BONDED THRU NOTARY PUBLIC UNDERWRITERS

APPROVED AND ACCEPTED, by the Alabama Real Estate Appraisers Board on the
21st day of March, 2013.

ALABAMA REAL ESTATE
APPRAISERS BOARD

BY:



LISA BROOKS
EXECUTIVE DIRECTOR