

**BEFORE THE MISSISSIPPI REAL ESTATE APPRAISER  
LICENSING AND CERTIFICATION BOARD**

**IN THE MATTER OF:  
DILLARD RICHARDSON  
LICENSE NO: RA-830**

**CASE NO. 05-1404**

**CONSENT ORDER**

This matter came before the Mississippi Real Estate Appraiser Licensing and Certification Board (Board) for entry of a Consent Order regarding the Respondent **DILLARD RICHARDSON**, who has been issued Mississippi Real Estate Appraiser Certified Residential License Number **RA-830**. This action is before the Board as the result of Respondent's appraisal of real property located at **1510 E. Quitman Street, Iuka, MS. 38852**. By entering into this Consent Order, Respondent Richardson waives his right to a hearing with full due process and the right to appeal any adverse decision resulting from that hearing. Having reached an agreement by consent on this matter, the Board issues its Findings of Fact, Conclusions of Law and Disciplinary Order as follows:

**FINDINGS OF FACT**

**I.**

The Mississippi Real Estate Appraiser Licensing and Certification Board is charged by law with the regulation of the practice of real estate appraisal, including matters relating to real estate appraiser standards, qualifications and licensing, and disciplinary functions pursuant to Title 73, Chapter 34 of the Mississippi Code of 1972, as amended. The Board, pursuant to the authority, has full, complete and proper jurisdiction over the parties and the subject matter herein.

## II.

Respondent, Dillard Richardson is an adult resident of Mississippi whose last known address of record with the Board is 1359 County Road 811, Saltillo, Mississippi 38866. Respondent is the holder of Mississippi Real Estate Appraiser's License Certified Residential Number RA-830, issued by the Board pursuant to §73-34-1, *et seq.*, Miss. Code Ann. (1972), as amended, and, as such, he is subject to all of the provisions, rules, regulations and statutes governing the appraisal of real property and the licensing of real estate appraisers under Mississippi Law.

## III.

On or about March 26, 2014, Respondent Richardson performed an appraisal of property located at 1510 E Quitman Street, Iuka, MS. 38852 and issued an Appraisal Report

## IV.

Respondent provided a work file which was quite limited and the file did not contain the documentation which was necessary to sufficiently analyze the information utilized in the completion of the two (2) approaches to value which were developed in the appraisal report. There were no verifiable documents or analysis in the work file for either the sales comparison approach or the cost approach. No Multiple Listing Service (MLS) data sheets nor any Chancery Clerk documents, (stated as being a source of verification) were provided with the work file. This lead to the Respondent stating incorrect information within the sales comparison approach.

## V.

The subject property in the report is located on leasehold land but each of the comparable properties are located on land in which the title is conveyed in fee simple ownership. The Respondent failed to include any type of analysis or disclosure in the appraisal report which addressed the issue of whether or not adjustments were warranted.

## CONCLUSIONS OF LAW

### VI.

Respondent, Dillard Richardson, admits and agrees by consent with the Board, that the above and foregoing described actions and conduct violated Miss. Code Ann. Sections 73-34-35(1)(l) and 73-34-37, as amended, and more specifically the Years 2014-2015 Uniform Standards of Professional Appraisal Practice (USPAP) Record Keeping Rule, Scope of Work Rule (*Problem Identification, Scope of Work Acceptability and Disclosure Obligations*), and Standards Rules 1-2(e)(i),(h), 1-4(a),(b)(i),(ii), and 2-2(a)(iii),(vii) and (viii), which state in relevant parts:

**§73-34-35(1):** ...[T]he rights of any licensed appraiser or licensed certified real estate appraiser may be revoked or suspended, or the holder of the license may be otherwise disciplined, in accordance with the provisions of this chapter for ...:

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**(l)** Any act or conduct, whether the same or of a different character than specified above, which constitutes or demonstrates bad faith, incompetency or untrustworthiness; or dishonest, fraudulent or improper dealing; or any other violation of the provisions of this chapter and of rules and regulations established by the board.

**§73-34-37:** Each real estate appraiser licensed under this chapter must comply with generally accepted standards of professional appraisal practice and generally accepted ethical rules to be observed by a real estate appraiser. Generally accepted standards of professional appraisal practice are currently evidenced by the uniform standards of professional appraisal practice...

### 2014-2015 USPAP REQUIREMENTS

**RECORD KEEPING RULE:** An appraiser must prepare a workfile for each appraisal, or appraisal review assignment. A workfile must be in existence prior to the issuance of any report...

The workfile must include:

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- 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...

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**SCOPE OF WORK RULE:** For each appraisal and appraisal review 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.

**Problem Identification:** An appraiser must gather and analyze information about those assignment elements that are necessary to properly identify the appraisal or appraisal review problem to be solved.

**Comment:** ...In an appraisal assignment, for example, identification of the problem to be solved requires the appraiser to identify the following assignment elements:

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- subject of the assignment and its relevant characteristics...

This information provides the appraiser with the basis for determining the type and extent of research and analyses to include in the development of an appraisal...

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**Scope of Work Acceptability:** The scope of work must include the research and analyses that are necessary to develop credible assignment results.

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Determining the scope of work is an ongoing process in an assignment. Information or conditions discovered during the course of an assignment

might cause the appraiser to reconsider the scope of work.

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An appraiser must be prepared to support the decision to exclude any investigation, information, method, or technique that would appear relevant to the client, another intended user, or the appraiser's peers.

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**Disclosure Obligations:** The report must contain sufficient information to allow intended users to understand the scope of work performed.

Comment: Proper disclosure is required because clients and other intended users rely on the assignment results. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

### **STANDARD RULE 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.

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**Standards Rule 1-2:** In developing a real property appraisal, an appraiser must:

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(e) identify the characteristics of the property that are relevant to the type and definition of value and intended use of the appraisal, including;

(i) its location and physical, legal, and economic attributes;

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(h) determine the scope of work necessary to produce credible assignment results in accordance with the SCOPE OF WORK RULE.

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**Standards Rule 1-4:** 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.

(b) When a cost approach is necessary for credible assignment results, an appraiser must:

- (i) develop an opinion of site value by an appropriate appraisal method or technique;
- (ii) analyze such comparable cost data as are available to estimate the cost anew of the improvements (if any); and
- (iii) analyze such comparable data as are available to estimate the difference between the cost new and the present worth of the improvements (accrued depreciation)

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## **STANDARD RULE 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.**

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**Standards Rule 2-2:** Each written real property report must be prepared under one of the following three options and prominently state which option is used: Appraisal Report or Restricted Appraisal Report.

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

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- (iii) summarize information sufficient to identify the real estate involved in the appraisal, including the physical, legal and economic property characteristics relevant to the assignment;

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



Comment: Because intended users' reliance on an appraisal may be affected by the scope of work, the report must enable them to be properly informed and not misled. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

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- (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;

Comment: An Appraisal Report must include sufficient information to indicate that the appraiser complied with the requirements of STANDARD 1. The amount of detail required will vary with the significance of the information to the appraisal.

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## **DISCIPLINARY ORDER**

### **VII .**

The Board, by Respondent **DILLARD RICHARDSON'S** agreement and consent, hereby orders and imposes discipline as follows:

- A) Respondent must complete a fifteen (15) hour *2015-2016 National USPAP* course and pass the accompanying examination within one hundred and eighty (180) days of the date of this Consent Order.
- B) Respondent must complete a seven (7) hour *Defendable Work File* course within one hundred and eighty (180) days of the date of this Consent Order.

- C) Respondent must complete a fifteen (15) hour Qualifying Education Course concerning *Appraisal Report Writing*, and pass the accompanying examination within one hundred and eighty (180) days of the date of this Consent Order.
- D) The Board Staff recommends that the Respondent complete the mandated courses in a classroom environment, if available. The credit hours generated by the successful completion of the mandated courses may not be used to satisfy the twenty-eight (28) hours of continuing education, but the mandated course credits may be utilized for supervisor education.
- E) Respondent expressly agrees that if he fails to deliver evidence to the Board Administrator that he has successfully completed all of the required courses set forth herein, including evidence of passing grades on all of the accompanying exams, within the required time periods, such failure shall constitute grounds for additional disciplinary action by the Board without further notice to Respondent.
- F) This disciplinary action shall be reported to and posted with applicable and appropriate authorities including the Board's newsletter and/or website.
- G) This action and order of the Board shall be public record and shall be spread upon the Minutes of the Board as its official act and deed.
- H) Respondent, as evidenced by his signature hereto, waives any and all objections or legal challenges he may have regarding or arising out of this matter, the entry of this Consent Order or any of its terms. He expressly waives any legal objections that may otherwise be available to him as to the Board taking this matter up preliminarily for purpose of considering and voting on whether or not to enter into this Consent Order.



I) Should the Board decline the entry of this Consent Order, Respondent understands and acknowledges that he remains entitled to a fair and impartial hearing of this matter before the Board.

SO ORDERED, this the 23<sup>rd</sup> day of April, 2015.

MISSISSIPPI REAL ESTATE APPRAISER  
LICENSING AND CERTIFICATION BOARD

By: 

John Holliday, Chairperson  
For and on Behalf of the Board

AGREED:

Dillard Richardson 3/3/2015  
Dillard Richardson Date

Bruna Hemphill 3-3-15  
NOTARY

