

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

**IN THE MATTER OF:
CHANDLER LAMAR OSWALT
LICENSE NO: RA-779**

CASE NO. 26-1508

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 **CHANDLER LAMAR OSWALT** who has been issued Mississippi Real Estate Appraiser License No. **RA-779**. This action is before the Board as the result of Respondent's appraisal of real property located at **307 Bounds Street, Jackson, MS. 39206**. By entering into this Consent Order, Respondent Oswald 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 in Mississippi including matters relating to real estate appraiser standards, qualifications and licensing, and disciplinary functions pursuant to §§73-34-1, *et seq.*, Miss. Code Ann. (1972), as amended. The Board, pursuant to this authority, has full, complete and proper jurisdiction over the parties and subject matter herein.

II.

Respondent, Chandler Lamar Oswald is an adult resident of Mississippi whose last known address of record with the Board is 145 Skyline Drive, Clinton, Mississippi 39056. Respondent is the

holder of a real estate appraiser's license, NO. RA-779, issued by the Board pursuant to 73-34-1, *et seq.*, Miss. Code Ann. (1972), as amended, and, such, he is subject to all of the provisions, rules, regulations and statutes governing the appraisal of real property and licensing of real estate appraisers under Mississippi Law.

III.

On or about August 26, 2014, Respondent Oswald performed an appraisal of property located at 307 Bounds Street, Jackson, Mississippi 39206, and issued an Appraisal Report.

IV.

Respondent provided a limited work file with insufficient documentation necessary for analysis of the information for the Sales Comparison approach developed in the Report. Respondent stated the verification sources for the Sales Comparison approach as MLS/Tax Records. However, there are several inconsistencies between the Appraisal Report and the MLS sheets contained in the work file. Seller's concessions were not adequately reported and there was no analysis to show whether adjustments were warranted or not. There were no adjustments made for the differences in amenities for the MLS comparables utilized and the amenities were not properly reflected in the Report.

V.

Respondent failed to disclose the current condition of the subject property and failed to include any photographs of the interior of the property to document the current condition. The Report was prepared subject to repairs and alterations on the basis of a hypothetical condition. However, Respondent provided no details in the work file for the necessary repairs, nor any information regarding cost to cure. There was no analysis of the hypothetical condition or of the current value of the subject property without the necessary repairs. No information was provided to show whether Respondent made a final inspection of the subject upon completion of the necessary repairs.

VI.

In the Cost Approach section of the Report, Respondent stated that the Cost Approach was not developed due to the age of the subject. No further explanation was given to explain why Respondent felt that development of the Cost Approach was not necessary.

VII.

Respondent states Quality Homes of MS, LLC as the current owner of the subject property as of the effective date of the appraisal report but information found within the work file reflects North Meadows Community Trust as the current owner.

CONCLUSIONS OF LAW

VIII.

Respondent, Chandler Lamar Oswalt, 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)(I) 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 1-1(b), 1-2(e)(i),(g)(h), 1-4(a),(b)(i) 2-1(b), and 2-2(a)(iii),(vii),(viii), and (xi) 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 ...:

(I) 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, or appraisal consulting assignment. A workfile must be in existence prior to the issuance of any report...

The workfile must include:

- 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...

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:

- subject of the assignment and its relevant characteristics; and

- assignment conditions.

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...

Assignment conditions include assumptions, extraordinary assumptions, hypothetical conditions, laws and regulations, jurisdictional exceptions, and other conditions that affect the scope of work. Laws include constitutions, legislative and court-made law, administrative rules, and ordinances. Regulations include rules or orders, having legal force, issued by an administrative agency.

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

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.

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.

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.

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

(b) not commit a substantial error of omission or commission that significantly affects an appraisal;...

Comment: An appraiser must use sufficient care to avoid errors that would significantly affect his or her opinions and conclusions. Diligence is required to identify and analyze the factors, conditions, data, and other information that would have a significant effect on the credibility of the assignment results.

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

(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;

(g) identify any hypothetical conditions necessary in the assignment;

Comment: A hypothetical condition may be used in an assignment only if:

- use of the hypothetical condition results in a credible analysis

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

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;

**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.

Standards Rule 2-1: 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;

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

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

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

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

(xi) Clearly and conspicuously:

- State all extraordinary assumptions and hypothetical conditions
- State that their use might have affected the assignment results

DISCIPLINARY ORDER

IX.


The Board, by Respondent **CHANDLER LAMAR OSWALT'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 fifteen (15) hour Qualifying Education Course concerning *Advanced Residential Applications and Case Studies, Part 1* and pass any accompanying examination, if applicable, within one hundred and eighty (180) days of the date of this Consent Order.
- C) Respondent must complete a thirty (30) hour Qualifying Education Course concerning *Advanced Residential Report Writing, Part 2* and pass any accompanying examination, if applicable, 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 required twenty-eight (28) hours of continuing education, but can be used toward supervisor education.
- E) Respondent expressly agrees that if he fails to deliver to the Board Administrator evidence 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 29^{10th} day of September^{August}, 2016.

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

By: 
**Amelia Lovorn Brown , Chairperson
For and on Behalf of the Board**

AGREED:


Chandler Lamar Oswald

8/10/16
Date