

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

**IN THE MATTER OF:
SHARON HERRING RICHARDSON
LICENSE NO: RA-934**

**CASE NOS. 44-1211
& 45-1212**

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 **SHARON HERRING RICHARDSON**, who has been issued Mississippi Real Estate Appraiser **License No. RA-934**. This action is before the Board as the result of Respondent's appraisal of real property located at 918 Martin L. King Drive, Cleveland, MS 38732 and 99 Lincoln Drive, Lyon, MS 38645. The Board having considered these matters, and Respondent Sharon Herring Richardson having voluntarily agreed to the Board's entry of this Consent Order, makes the following Findings of Fact, Conclusion of Law and Disposition:

FINDINGS OF FACTS:

1. The Mississippi Real Estate Appraiser Licensing and Certification Board is charged by law with the responsibility for the regulation of the practice of real estate appraisal; and among other things, is responsible for matters relating to real estate appraiser standards, real estate appraiser qualifications and licensing, and disciplinary functions pursuant to Title 73, Chapter 34 of the Mississippi Code of 1972, as amended. The Board pursuant to this authority has full, complete and proper jurisdiction over the parties and the subject matter of this cause. The Respondent, Sharron Herring Richardson, is a licensee of the Board, holding License No. RA-934, and whose address is:

Sharon Herring Richardson
1738 Highway 22
Edwards, MS 39066

2. Respondent acknowledges that she has a right to a formal hearing on the allegations of violations against her in this matter. Respondent expressly waives all further procedural steps, and expressly waives any all objections or legal challenges she may have regarding or arising out of this matter, the Board's consideration and entry of this Consent Order or any of its terms.

**CASE NO. 44-1211
(918 Martin L. King Drive, Cleveland, MS 38732)**

3. Respondent performed an appraisal of property located at 918 Martin L. King Drive on April 26, 2012. The Board charges that Respondent's actions and conduct in the appraisal of this property violates the Mississippi Real Estate Appraiser Licensing and Certification Act, and more specifically, Miss. Code Ann. Sections 73-34-35(1)(l), 73-34-37 & 73-34-39(1)(b), as amended, and the Years 2012-2013 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(b)(vii),(viii), as follows:

4. Respondent does not have verified documentation or analysis to support the information used in the sales comparison approach in the appraisal report. Respondent's actions and conduct in this regard violate Miss. Code Ann. Sections 73-34-35(1)(l), 73-34-37, and 73-34-39(1)(b), as amended, the Years 2012-2013 USPAP Record Keeping Rule, Scope of Work Rule (Problem Identification, Scope of Work Acceptability and Disclosure Obligations), and Standards Rules 1-2(h), 1-4(a), and 2-2 (b)(vii),(viii).

Respondent states in the appraisal report that she used MLS data sheets and county records as data and verification sources for the Sales Comparison Approach. There is no documentation in Respondent's workfile to show this information was analyzed or verified. There are no MLS records in the workfile to verify the comparable information used in the appraisal report. Respondent, instead, used handwritten notes for the comparables, with nothing showing verification of comparable

information used in the appraisal report. Respondent reports County Landroll records as the Verification Sources, but provides no such records to verify this information.

5. Respondent provides no documentation or analysis to support the cost approach. Respondent's actions and conduct in this regard violate Miss. Code Ann. Sections 73-34-35(1)(I), 73-34-37, and 73-34-39(1)(b), as amended, the Years 2012-2013 USPAP Record Keeping Rule, Scope of Work Rule (Problem Identification, Scope of Work Acceptability and Disclosure Obligations), and Standards Rules 1-2(h), 1-4(b)(i),(ii), and 2-2 (b)(vii),(viii).

Respondent provides no documentation or analysis of vacant land sales of similar size reflecting how she arrived at her opinion of site value of \$6,500.00.

Respondent states in the Cost Approach section, that the cost approach was omitted from the appraisal report, but provides no explanation of why the cost approach was excluded. Additionally, under Reconciliation, Respondent states she considered both the cost and market sales comparison approaches, but provides no documentation or analysis for the cost approach.

6. Respondent fails to properly locate the subject on the site map in the appraisal report. Respondent's actions and conduct in this regards violate Miss. Code Ann. Sections 73-34-35(1)(I), 73-34-37, as amended, and the Years 2012-2013 USPAP Standards Rules 1-2(e)(i), and 2-2 (b)(viii).

Respondent did not place the location flag of the subject property at its address on the location map. By not placing the location flag of the subject property in the correct place on the location map, the Respondent has miscalculated all the distances to the sold comparables and listing comparables.

The subject property is located in Cleveland, MS, while all the comparables except Listing Comparable 1 are located in Greenville, MS. Respondent does not provide any explanation or documentation of why she chose the comparables in a different city/neighborhood.

CASE NO. 45-1211
(99 Lincoln Drive, Lyon, MS 38645)

7. Respondent performed an appraisal of property located at 99 Lincoln Drive, Lyons, MS 38645 on July 20, 2012. The Board charges that Respondent's actions and conduct in the appraisal of this property violates the Mississippi Real Estate Appraiser Licensing and Certification Act, and more specifically, Miss. Code Ann. Sections 73-34-35(1)(l), 73-34-37 & 73-34-39(1)(b), as amended, and the Years 2012-2013 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(b)(vii),(viii), as follows:

8. Respondent does not have sufficient verified documentation or analysis to support the information used in the sales comparison approach in the appraisal report. Respondent's actions and conduct in this regard violate Miss. Code Ann. Sections 73-34-35(1)(l), 73-34-37, and 73-34-39(1)(b), as amended, the Years 2012-2013 USPAP Record Keeping Rule, Scope of Work Rule (Problem Identification, Scope of Work Acceptability and Disclosure Obligations), and Standards Rules 1-2(h), 1-4(a), and 2-2 (b)(vii),(viii).

Respondent states in the appraisal report that she used MLS data sheets and public records as data and verification sources for the Sales Comparison Approach. There is no documentation in Respondent's workfile to show this information was analyzed or verified. There are no MLS records in the workfile to verify the comparable information used in the appraisal report. Respondent, instead, used handwritten notes for the comparables, with nothing showing verification of comparable information used in the appraisal report. Respondent reports public records as the Verification Sources, but provides no such records to verify this information.

9. Respondent provides no verified documentation or analysis to support the cost approach. Respondent's actions and conduct in this regard violate Miss. Code Ann. Sections 73-34-35(1)(l), 73-34-

37, and 73-34-39(1)(b), as amended, the Years 2012-2013 USPAP Record Keeping Rule, Scope of Work Rule (Problem Identification, Scope of Work Acceptability and Disclosure Obligations), and Standards Rules 1-2(h), 1-4(b)(i),(ii), and 2-2 (b)(vii),(viii).

Respondent provides no documentation or analysis of vacant land sales of similar size reflecting how she arrived at her opinion of site value of \$4,000.00.

Respondent states in the Cost Approach section, that the cost approach was omitted from the appraisal report, but provides no explanation of why the cost approach was excluded. Additionally, under Reconciliation, Respondent states she considered both the cost and market sales comparison approaches, but provides no documentation or analysis for the cost approach.

10. Respondent failed to properly disclose and analyze information for Comparable Sale 1 and Comparable Listing 1 in the sales comparison approach. Respondent's actions and conduct in this regards violate Miss. Code Ann. Sections 73-34-35(1)(l) and 73-34-37, as amended, and the Years 2012-2013 USPAP Scope of Work Rule (Problem Identification, Scope of Work Acceptability and Disclosure Obligations) and Standards Rules 1-2(e)(i),(h), 1-4(a) and 2-2 (b)(vii),(viii).

Respondent uses the same comparable located at 1212 Grooms Street, Greenville, MS in the sales grid and in the listing grid. In the sales grid this address reflects two (2) full baths with 1,304 square feet gross living area and a double garage. In the listing grid this same address reflects only one (1) full bath with a 1,018 square feet gross living area and a single carport. Respondent does not provide or disclose the analysis of these same comparable differences.

CONCLUSIONS OF LAW

11. Respondent admits and agrees, that her actions and conduct set forth above in paragraphs 4, 5 ,6, 8, 9 & 10 violated Miss. Code Ann. Sections 73-34-35(1)(l) and 73-34-37, as amended, which state in pertinent 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 any of the following acts or omissions:

(I) Any act or conduct, whether, whether the same or of a different character than specified above, which constitutes or demonstrates ... untrustworthiness; 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 rule 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...” (USPAP).

12. Respondent admits and agrees that her actions and conduct set forth above in paragraphs 4,5,8 & 9 violated Miss. Code Ann. Section **73-34-39**, as amended, which states in pertinent part:

(1) A licensed real estate appraiser shall retain for a period of five (5) years the original or a true copy of: ... (b) all supporting data assembled and formulated by the appraiser in preparing each such appraisal report.

13. Respondent admits and agrees that her actions and conduct set forth above in paragraphs 4,5,8 & 9 violated the Years 2012 and 2013 Uniform Standards of Professional Appraisal Practice (“USPAP”) Record Keeping Rule, which states in pertinent parts:

RECORD KEEPING RULE: An appraiser must prepare a work file for each appraisal, or appraisal review, or appraisal consulting assignment. A work file 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 locations(s) of such other documentation.

14. Respondent admits and agrees that his actions and conduct set forth above in paragraphs 4, 5, 8,9 & 10 violated the Years 2012 and 2013 Uniform Standards of Professional Appraisal Practice (“USPAP”) Scope of Work Rule (Problem Identification, Scope of Work Acceptability and Disclosure Obligations) which states in pertinent parts:

SCOPE OF WORK RULE: For each appraisal, appraisal review, and appraisal consulting assignment, an appraiser must:

Identify the problem to be solved;

Determine and perform the scope of work necessary to develop credible assignment results; and
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:

Credible assignment results require support by relevant evidence and logic. The credibility of assignment results is always measured in the context of the intended use.

PROBLEM IDENTIFICATION: An appraiser must gather and analyze information about those assignment elements that are necessary to properly identify the appraisal, appraisal review or appraisal consulting problem to be solved.

Subject of the assignment and its relevant characteristics; and
Assignment conditions

SCOPE OF WORK ACCEPTABILITY: The scope of work must include the research and analyses that are necessary to develop credible assignment results.

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.

An appraiser must not allow assignment conditions to limit the scope of work to such a degree that the assignment results are not credible in the context of the intended use.

DISCLOSURE OBLIGATIONS: The report must contain sufficient information to allow intended users to understand the scope of work performed.

15. Respondent admits and agrees that his actions and conduct set forth above in paragraphs 4,5,6,8,9&10 violated the Years 2012 and 2013 Uniform Standards of Professional Appraisal Practice ("USPAP") Standards Rules 1-2(e),(i),&(h), 1-4(a), 1-4(b)(i)&(ii), and Standard Rules 2-2(b)(vii)&(viii), which state in pertinent parts:

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) the location and physical, legal, and economic attribution;

(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;
(ii) analyze such comparable cost data as are available to estimate the cost new of the improvements, if any.

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: 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;

(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;

16. Respondent's violations of Miss. Code Ann. Sections 73-34-5(1)(I), 73-34-37 & 73-34-39(1)(b), as amended, and her violations of the Years 2012-2013 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 (b)(vii),(viii), constitute grounds for the imposition of discipline, including revocation, suspension or other disciplinary action against her license with the Board, in accordance with Section 73-34-35(1).

DISPOSITION

17. Based upon the foregoing Findings of Fact and Conclusions of Law the Board, with Respondent Sharon Herring Richardson's consent, hereby Orders that:

- A) Respondent must complete a fifteen (15) hour national USPAP 2014- 2015 course and pass the accompanying examination, no later than two hundred forty (240) days after the date of the signing of this Consent Order.
- B) Respondent must complete a four (4) hour workfile course, no later than two hundred forty (240) days after the date of the signing of this Consent Order.
- C) Respondent must complete a thirty (30) hour advance appraisal procedures course and pass the accompanying examination, no later than two hundred forty (240) days after the date of the signing of this Consent Order.
- D) The Board Staff recommends that the Respondent complete the mandated USPAP course in Section 17.A. above in a classroom environment, if available.
- E) The credit hours generated by the successful completion of the above mandated courses may not be used to satisfy the twenty-eight (28) hours of continuing education that are required for license renewal.
- F) Respondent expressly agrees that if she fails to comply with any of the terms of this Consent Order within the time period ordered, that such failure shall constitute grounds for additional disciplinary action by the Board.
- G) This action shall be public record and shall be spread upon the Minutes of the Board as its official act and deed.
- H) This disciplinary action shall be reported to and posted with the appropriate authorities. This action shall also be published in the Board's newsletter.
- I) Respondent expressly waives any and all objections or legal challenges she may have regarding or arising out of this matter, the entry of this Consent Order or any of its terms. She further agrees to and expressly waives any objections or legal challenges to the Board taking this matter

up preliminarily for purpose of considering and voting on whether or not to enter into this Consent Order.

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

SO ORDERED AND ENTERED, this the 22 day of May, 2014.

MISSISSIPPI REAL ESTATE APPRAISER
LICENSING AND CERTIFICATION BOARD

By: 
GERALD BARBER, CHAIRMAN

AGREED TO:


SHARON HERRING RICHARDSON

