

**SETTLEMENT AGREEMENT**  
**BETWEEN**  
**Missouri Real Estate Appraisers Commission**  
**AND**  
**Cheryl Ford**

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Cheryl Ford (Ford) and the Missouri Real Estate Appraisers Commission (MREAC) enter into this Settlement Agreement for the purpose of resolving the question of whether Ford's certification as a real estate appraiser, no. 2005037650, will be subject to discipline. Pursuant to § 536.060, RSMo 2000,<sup>1</sup> the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri and, additionally, the right to a disciplinary hearing before the MREAC under § 621.110, RSMo Cum. Supp. 2008. The MREAC and Ford jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo Cum. Supp. 2008.

Ford acknowledges that she understands the various rights and privileges afforded her by law, including the right to a hearing of the charges against her; the right to appear and be represented by legal counsel; the right to have all charges proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing against her at the hearing; the right to present evidence on her behalf at the hearing; the right to a decision upon the record of the hearing by a fair and impartial

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<sup>1</sup> All statutory citations are to the 2000 Revised Statutes of Missouri unless otherwise noted.

administrative hearing commissioner concerning the charges pending against her; the right to a ruling on questions of law by the Administrative Hearing Commission; the right to a disciplinary hearing before the MREAC at which time Ford may present evidence in mitigation of discipline; the right to a claim for attorney fees and expenses; and the right to obtain judicial review of the decisions of the Administrative Hearing Commission and the MREAC.

Being aware of these rights provided to her by law, Ford knowingly and voluntarily waives each and every one of these rights and freely enters into this Settlement Agreement and agrees to abide by the terms of this document as they pertain to her.

Ford acknowledges that she has received a copy of documents that were the basis upon which the MREAC determined there was cause for discipline, along with citations to law and/or regulations the MREAC believes were violated. Ford stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREAC that Ford's certification as a real estate appraiser, certificate no. 2005037650, is subject to disciplinary action by the MREAC in accordance with the relevant provisions of Chapter 621, RSMo Cum. Supp. 2008, and §§ 339.500 to 339.549, RSMo, as amended.

The parties stipulate and agree that the disciplinary order agreed to by the MREAC and Ford in Part II herein is based only on the agreement set out in Part I herein. Ford

understands that the MREAC may take further disciplinary action against her based on facts or conduct not specifically mentioned in this document that are either now known to the MREAC or may be discovered.

**I.**  
**Joint Stipulation of Facts and Conclusions of Law**

Based upon the foregoing, the MREAC and Ford herein jointly stipulate to the following:

1. On June 23, 2008, Cheryl Ford supervised the preparation and/or prepared an appraisal report for 3447 S.W. Windemere Drive, Lee's Summit, Missouri 64082 (the Windemere Drive Appraisal Report).

2. Section 339.535, RSMo, states:

State certified real estate appraisers and state licensed real estate appraisers shall comply with the Uniform Standards of Professional Appraisal Practice promulgated by the appraisal standards board of the appraisal foundation.

3. The preparation of the Windemere Drive Appraisal Report was to be prepared in compliance with the Uniform Standards of Professional Appraisal Practice, 2009-2009 edition. The cited provisions of USPAP, 2008-2009 edition are attached hereto as Exhibit A.

4. Based on the following errors and admissions in the preparation of the Windemere Drive Appraisal Report, Ford is in violation of Section 339.535, RSMo, the

USPAP Competency Rule, USPAP Standards 1 and 2, and USPAP Standards Rules 1-1(a) and (b), 1-4(a), 1-5(a), 2-1(a) and (b), and 2-2(b)(iii) and (viii), 2008-2009 edition:

- A. The subject property is described as a 1.5-story home, when it is a two-story home with a different market appeal;
- B. Comparable sales are used from outside the defined neighborhood boundaries when sales of similar properties were available within the defined neighborhood;
- C. The comparable sales were from superior subdivisions or were custom-built homes of superior design and appeal;
- D. The subject property which is a two-story home is compared to a ranch-style home, when more similar sales were available;
- E. There was no analysis or adjustments for the many upgrades included with comparable sale no. 4, instead providing only an undefined \$20,000 condition upgrade;
- F. You lacked the geographic expertise to prepare this appraisal competently;
- G. These errors resulted in a significantly inflated value, because the similar sales within the subdivision ranged in value between \$227,000 and \$260,000, well below the estimated value of \$310,000;

H. Lacked an analysis and discussion of possible sales concessions on comparable sales no. 1 and 3 which sold for less than their list price;

I. No adjustments for age between the subject property and the newer custom-built homes;

J. The errors and omissions resulted in a misleading and not credible report.

K. As a result of the foregoing, the Windemere Drive Appraisal Report was misleading and failed to include sufficient information, support or analysis to support the opinions of value rendered.

L. The Windemere Drive Appraisal Report also failed to include sufficient information necessary to allow an intended user to understand the reports properly.

5. Based on the facts and violations set forth above, cause exists to discipline Ford's certification as a state-certified residential real estate appraiser pursuant to § 339.532.2 (5), (6), (7), (8), (9), (10), and (14), RSMo, which states:

2. The commission may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621, RSMo, against any state-certified real estate appraiser, state-licensed real estate appraiser, or any person who has failed to renew or has surrendered his or her certificate or license for any one or any combination of the following causes:

.....

(5) Incompetency, misconduct, gross negligence, dishonesty, fraud, or misrepresentation in the performance of the functions or duties of any profession licensed or regulated by sections 339.500 to 339.549;

(6) Violation of any of the standards for the development or communication of real estate appraisals as provided in or pursuant to sections 339.500 to 339.549;

(7) Failure to comply with the Uniform Standards of Professional Appraisal Practice promulgated by the appraisal standards board of the appraisal foundation;

(8) Failure or refusal without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report, or communicating an appraisal;

(9) Negligence or incompetence in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal;

(10) Violating, assisting or enabling any person to willfully disregard any of the provisions of sections 339.500 to 339.549 or the regulations of the commission for the administration and enforcement of the provisions of sections 339.500 to 339.549;

.....

(14) Violation of any professional trust or confidence[.]

**II.**  
**Joint Agreed Disciplinary Order**

Based on the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the MREAC in this matter under the authority of § 536.060, RSMo, and §§ 621.045.3 and 621.110, RSMo Cum. Supp. 2008.

1. **Ford's certification is on probation.** Ford's certification as a real estate appraiser is hereby placed on PROBATION for a period of TWO YEARS. The period of probation shall constitute the "disciplinary period." During the disciplinary period, Ford shall be entitled to practice as a real estate appraiser under §§ 339.500 to 339.549, RSMo, as amended, provided Ford adheres to all the terms of this agreement.

2. **Terms and conditions of the disciplinary period.** The terms and conditions of the disciplinary period are as follows:

A. Ford shall submit written reports to the MREAC by no later than January 15, April 15, July 15 and October 15, during each year of the disciplinary period stating truthfully whether there has been compliance with all terms and conditions of this Settlement Agreement. Ford is responsible for assuring that the reports are submitted to and received by the MREAC.

B. During the disciplinary period, Ford shall maintain a log of all appraisal assignments as required by 20 CSR 2245-2.050. A true and accurate copy of which shall be submitted to the MREAC every three (3) months after the disciplinary period goes into effect with the written reports required under subparagraph B., above. Ford is responsible for assuring that the logs are submitted to and received by the MREAC. Upon MREAC request, Ford shall submit copies of her work samples for MREAC review.

D. Within six months after the effective date of this Settlement Agreement, Ford shall submit verification to the MREAC of successful completion of a Thirty (3)-hour approved course, including examination, on Market Data Analysis.

E. Ford may not apply the education required by this Settlement Agreement to satisfy the continuing education hours required for certification renewal.

F. During the disciplinary period, Ford shall not serve as a supervising appraiser to trainee real estate appraisers under 20 CSR 2245-3.005. Within ten days of the effective date of this Settlement Agreement, Ford shall advise each trainee real estate appraiser working under her that the supervisory relationship is terminated and comply with all other requirements of 20 CSR 2245-3.005 regarding the termination of the supervisory relationship.

G. During the disciplinary period, Ford shall keep the MREAC apprised at all times in writing of her current work and home addresses and telephone numbers at each place of residence and employment. Ford shall notify the MREAC in writing of any change in address or telephone number within 15 days of a change in this information.

H. Ford shall timely renew her certification and timely pay all fees required for certification renewal and comply with all other MREAC requirements necessary to maintain her certification in a current and active state.

I. During the disciplinary period, Ford shall comply with all provisions of §§ 339.500 through 339.549, RSMo, all rules and regulations promulgated thereunder, and all federal and state laws. “State” includes the state of Missouri and all other states and territories of the United States. Any cause to discipline Ford’s [certification/license] as a real estate appraiser under § 339.532.2, RSMo, as amended, that accrues during the disciplinary period shall also constitute a violation of this Settlement Agreement.

J. Ford shall accept and comply with reasonable unannounced visits from the MREAC’s duly authorized agents to monitor compliance with the terms and conditions stated herein.

K. Ford shall appear before the MREAC or its representative for a personal interview upon the MREAC’s written request.

L. If, at any time within the disciplinary period, Ford removes herself from the state of Missouri, ceases to be currently certified under the provisions of §§ 339.500 through 339.549, RSMo, or fails to keep the MREAC advised of all current places of residence and business, the time of absence, uncertified status or

unknown whereabouts shall not be deemed or taken as any part of the disciplinary period.

3. Upon the expiration of the disciplinary period, the certification of Ford shall be fully restored if all requirements of law have been satisfied; provided, however, that in the event the MREAC determines that Ford has violated any term or condition of this Settlement Agreement, the MREAC may, in its discretion, after an evidentiary hearing, vacate and set aside the discipline imposed herein and may suspend, revoke or otherwise lawfully discipline Ford's certification.

4. No additional discipline shall be imposed by the MREAC pursuant to the preceding paragraph of this Settlement Agreement without notice and opportunity for hearing before the MREAC as a contested case in accordance with the provisions of Chapter 536, RSMo.

5. This Settlement Agreement does not bind the MREAC or restrict the remedies available to it concerning any future violations by Ford of §§ 339.500 to 339.549, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Settlement Agreement.

6. This Settlement Agreement does not bind the MREAC or restrict the remedies available to it concerning facts or conduct not specifically mentioned in this Settlement Agreement that are either now known to the MREAC or may be discovered.

7. If any alleged violation of this Settlement Agreement occurred during the disciplinary period, the parties agree that the MREAC may choose to conduct a hearing before it either during the disciplinary period, or as soon thereafter as a hearing can be held, to determine whether a violation occurred and, if so, may impose further disciplinary action. Ford agrees and stipulates that the MREAC has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred.

8. Each party agrees to pay all their own fees and expenses incurred as a result of this case, its litigation, and/or its settlement.

9. The terms of this Settlement Agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise contained herein, neither this Settlement Agreement nor any of its provisions may be changed, waived, discharged, or terminated, except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, discharge, or termination is sought.

10. The parties to this Settlement Agreement understand that the MREAC will maintain this Settlement Agreement as an open record of the MREAC as required by Chapters 339, 610, and 324, RSMo, as amended.

11. Ford, together with her partners, shareholders, officers, directors, heirs, assigns, agents, employees, representatives and attorneys, does hereby waive, release, acquit and forever discharge the MREAC, its respective members, employees, agents and

attorneys including former members, employees, agents and attorneys, of, or from any liability, claim, actions, causes of action, fees, costs, expenses and compensation, including, but not limited to, any claim for attorney's fees and expenses, whether or not now known or contemplated, including, but not limited to, any claims pursuant to § 536.087, RSMo (as amended), or any claim arising under 42 U.S.C. § 1983, which now or in the future may be based upon, arise out of, or relate to any of the matters raised in this case or its litigation or from the negotiation or execution of this Settlement Agreement. The parties acknowledge that this paragraph is severable from the remaining portions of the Settlement Agreement in that it survives in perpetuity even in the event that any court or administrative tribunal deems this agreement or any portion thereof void or unenforceable.

12. Ford understands that she may, either at the time the Settlement Agreement is signed by all parties, or within fifteen days thereafter, submit the agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties constitute grounds for disciplining Ford's certification. If Ford desires the Administrative Hearing Commission to review this Settlement Agreement, Ford may submit her request to: Administrative Hearing Commission, Truman State Office Building, Room 640, 301 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65102.

16. If Ford requests review, this Settlement Agreement shall become effective on the date the Administrative Hearing Commission issues its order finding that the

Settlement Agreement sets forth cause for disciplining Ford's certification. If Ford does not request review by the Administrative Hearing Commission, the Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREAC.

LICENSEE

Cheryl Ford      5/18/2009  
Cheryl Ford      Date

Missouri Real Estate Appraisers  
Commission

Vanessa Beauchamp  
Vanessa Beauchamp, Executive Director  
Date: 5/27/09

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