

SETTLEMENT AGREEMENT
BETWEEN
MISSOURI REAL ESTATE APPRAISERS COMMISSION
AND
CHRISTOPHER MILD

Christopher Mild (“Mild”) and the Missouri Real Estate Appraisers Commission (“MREAC”) enter into this Settlement Agreement for the purpose of resolving the question of whether Mild’s certification as a state-certified residential real estate appraiser, no. 2007010483, will be subject to discipline. Pursuant to § 536.060, RSMo 2000,¹ 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. 2011. The MREAC and Mild jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo Cum. Supp. 2011.

Mild acknowledges that he understands the various rights and privileges afforded him by law, including the right to a hearing of the charges against him; 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 him at the hearing; the right to present evidence on his behalf at the hearing; the right to a decision upon the record of the hearing by a fair and impartial

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

administrative hearing commissioner concerning the charges pending against him; 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 Mild 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 him by law, Mild 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 him.

Mild acknowledges that he 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. Mild stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREAC that Mild's certification as a state-certified residential real estate appraiser, certificate no. 2007010483, is subject to disciplinary action by the MREAC in accordance with the relevant provisions of Chapter 621, RSMo, and §§ 339.500 through 339.549, RSMo, as amended.

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

understands that the MREAC may take further disciplinary action against him 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 Mild herein jointly stipulate to the following:

1. Christopher Mild is certified by the MREAC as a state-certified residential real estate appraiser, license no. 2007010483. Mild's certification was at all times herein current and active.

2. On April 2, 2009, Mild signed a summary appraisal report for property located at 570 S. Lewis Rd., Eureka, MO 63025 (the "Lewis Appraisal").

3. Section 339.535, RSMo, which requires compliance with the Uniform Standards of Professional Appraisal Practice ("USPAP"), provides:

"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 commission of the appraisal foundation."

4. The preparation of the Lewis Appraisal was required to be prepared in compliance with the Uniform Standards of Professional Appraisal Practice, ("USPAP"), 2008-2009 Edition.

5. Based on the following errors and omissions in the preparation of the Lewis Appraisal, Mild is in violation of: § 339.535, RSMo; the USPAP Ethics Rule; the USPAP Competency Rule; the USPAP Scope of Work Rule; USPAP Standards 1 and 2; and USPAP Standards Rule 1-1(a), (b) and (c); 1-2(e) and (h); 1-3(a) and (b); 1-4(a), (b)(i) and (iii), (c)(i)-(iv), (g); 1-6(a) and (b); 2-1(a), (b) and (c); 2-2(b)(iii), (vii), (viii) and (ix):

- i. Mild engaged in an appraisal for a complex property, with income potential and the report does not contain proper analysis;
- ii. Mild admits to considering the property beyond his capability, declines the project, but is later convinced to do it;
- iii. Mild's report contains adjustments of nearly 400% to many of the sales, uses incorrect costs in the cost approach and does not deal with the income potential to the property;
- iv. Mild improperly contains only the standard URAR Scope of Work language which is inadequate for a complex property valued in excess of one million dollars and a property that may not conform to the neighborhood;
- v. Mild only briefly identifies zoning, but has no discussion as to what is allowed, how it could be changed if necessary, and the impact of change;

- vi. Mild fails to develop an opinion of the highest and best use when the property could be used for a winery type operation or for a subdivision;
- vii. Mild fails to provide an analysis of the comparable sales and support for adjustments;
- viii. Mild states in the cost approach that his site value is based on comparable sales in the area, but in reality compares mostly to unclosed listings;
- ix. Mild concludes a site value under the cost approach for a 50 acre parcel based on the sales price of a 3.75 acre parcel which would not be similar due to significantly different potential highest and best uses;
- x. Mild fails to include an analysis of the comparable sales to determine depreciation;
- xi. Mild fails to develop an income approach when it was applicable and fails to provide an explanation of why it was excluded;
- xii. Mild fails to discuss the quality of the comparable sales, nor the quantity, and how that impacts the concluded value;
- xiii. Mild indicates that the Sales Comparison Approach is the best indicator of value but fails to discuss how value was concluded;

- xiv. Mild improperly reported his appraisal for a multi-million dollar property, with significant outbuildings, on a single family residential report form;
- xv. Mild failed to report the appraisal in a manner that the reader can clearly understand by failing to analyze and discuss the details of a complex property and all of its components;
- xvi. Mild failed to provide adequate detail to understand the characteristics of property being appraised, the location, and the characteristics of the market;
- xvii. Mild improperly contains only the URAR scope of work language which is not adequate to describe the process and analysis necessary for this type of property; and
- xviii. Mild fails to include analysis or detail of the subject property, or the comparables, all of which are complex;

6. Mild's conduct as stated above provides cause to discipline his license

pursuant to § 339.532.2(5), (6), (7), (8), (9), and (10), RSMo, which state:

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[.]

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. 2011.

1. **Mild's certification is on probation.** Mild's certification as a state-certified residential real estate appraiser is hereby placed on PROBATION for a period of

TWO (2) YEARS. The period of probation shall constitute the “disciplinary period.” During the disciplinary period, Mild shall be entitled to practice as a state-certified residential real estate appraiser under §§ 339.500 through 339.549, RSMo, as amended, provided Mild 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. Mild 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. Mild is responsible for assuring that the reports are submitted to and received by the MREAC.

B. During the disciplinary period, Mild 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 A., above. Mild is responsible for assuring that the logs are submitted to and received by the MREAC. Upon MREAC request, Mild shall submit copies of his work samples for MREAC review.

C. Within one year after the effective date of this Settlement Agreement, Mild shall submit verification to the MREAC of successful

completion of a seven hour approved course, without examination, on Highest and Best Use.

D. Within one year after the effective date of this Settlement Agreement, Mild shall submit verification to the MREAC of successful completion of a seven hour approved course, without examination, on Sales Comparison.

E. Mild 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, Mild 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, Mild shall advise each trainee real estate appraiser working under him 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, Mild shall keep the MREAC apprised at all times in writing of his current work and home addresses and telephone numbers at each place of residence and employment. Mild shall notify the MREAC in writing of any change in address or telephone number within 15 days of a change in this information.

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

I. During the disciplinary period, Mild 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 Mild's certification 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. Mild shall accept and comply with reasonable announced visits from the MREAC's duly authorized agents to monitor compliance with the terms and conditions stated herein.

K. Mild 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, Mild removes himself 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 Mild shall be fully restored if all requirements of law have been satisfied; provided, however, that in the event the MREAC determines that Mild 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 Mild'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 Mild of §§ 339.500 through 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. Mild 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. Mild, together with his partners, 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

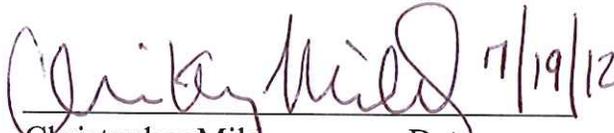
members, employees, agents and attorneys, of, or from any liability, claim, actions, causes of action, fees, costs, expenses and compensation, including, but not limited to, any claim for attorney's fees and expenses, whether or not now known or contemplated, including, but not limited to, any claims 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. Mild understands that he 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 Mild's certification. If Mild desires the Administrative Hearing Commission to review this Settlement Agreement, Mild may submit his request to: Administrative Hearing Commission, Truman State Office Building, Room 640, 301 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65102.

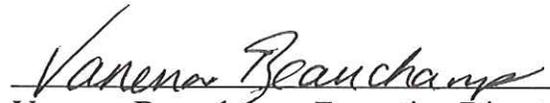
13. If Mild requests review, this Settlement Agreement shall become effective on the date the Administrative Hearing Commission issues its order finding that the Settlement Agreement sets forth cause for disciplining Mild's certification. If Mild does

not request review by the Administrative Hearing Commission, this Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREAC.

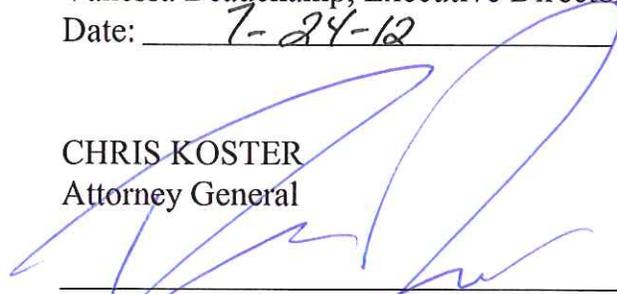
LICENSEE


Christopher Mild Date 7/19/12

MISSOURI REAL ESTATE
APPRAISERS COMMISSION


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