

**SETTLEMENT AGREEMENT BETWEEN MISSOURI REAL ESTATE
APPRAISERS COMMISSION AND DANIEL J. REYNOLDS**

Daniel J. Reynolds (“Reynolds”) and the Missouri Real Estate Appraisers Commission (“MREAC”) enter into this Settlement Agreement for the purpose of resolving the question of whether Reynolds’s license as a state-certified residential real estate appraiser, License No. 2004010757, 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 Reynolds 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.

Reynolds 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 administrative hearing commissioner concerning the charges pending against

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

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 Reynolds may present evidence in mitigation of discipline; the right to seek recovery of 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, Reynolds 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.

Reynolds 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. Reynolds stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREAC that Reynolds's certification as a real estate appraiser, License No. 2004010757, is subject to disciplinary action by the MREAC in accordance with the relevant provisions of Chapters 339.500 through 339.549 and 621, RSMo, as amended.

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

I.
Joint Stipulation of Facts

Based upon the foregoing, the MREAC and Reynolds herein jointly stipulate:

1. The MREAC was established pursuant to § 339.507, RSMo, for the purpose of executing and enforcing the provisions of §§ 339.500 through 339.549, RSMo, as amended.

2. Reynolds is licensed by the MREAC as a state-certified residential real estate appraiser, license number 2004010757. Such license is, and was at all relevant times, current and active. Since becoming licensed, Reynolds has developed a level of professional trust and confidence regarding his abilities as a real estate appraiser with his colleagues, clients, and the public.

3. On or about August 14, 2007, Reynolds completed and signed the appraisal report for residential real estate located at 5934 De Giverville Avenue, St. Louis, MO 63112. The effective date of the appraisal report was August 14, 2007. This appraisal valued the property at two hundred eighty-one thousand five hundred dollars (\$281,500). This appraisal shall be referred to hereinafter as the “De Giverville Appraisal Report.”

4. The De Giverville Appraisal Report was prepared for Griffin Lending LLC, located in St. Louis, MO.

5. Reynolds was required to develop and report the results of the De Giverville Appraisal Report in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), 2006 Edition.

6. In developing and reporting the results for the De Giverville Appraisal Report, Reynolds committed significant and substantial errors and/or omissions that violated Standards 1, and Standard Rules 1-1(a), 1-4(a), 1-5(b), including, but not limited to:

- a. Reynolds failed to report in the Appraisal the subject property's previous sales on 11/1/2004 for \$102,000 and on 3/25/2005 for \$122,000, in addition to the subject property having an expired listing for \$58,000; and
- b. The De Giverville Appraisal Report overestimated the value, is not credible, is misleading, and was developed in violation of USPAP Standards 1.

Conclusions of Law

7. 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.

8. Based on the foregoing facts, cause exists to discipline the certification of Reynolds pursuant to Section 339.532.2, RSMo, which states in part:

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 [“USPAP”] 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 communication 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 Commission in this matter under the authority of § 536.060, RSMo, and §§ 621.045.3 and 621.110, RSMo, as amended.

1. **Reynolds's license is subject to a period of probation.** Reynolds's license as a residential real estate appraiser is hereby placed on PROBATION for a period of ONE YEAR. The one-year period of probation shall constitute the "disciplinary period." During the disciplinary period, Reynolds shall be entitled to practice as a residential real estate appraiser under Chapter 339, RSMo, provided Reynolds adheres to all the terms of this Settlement Agreement.

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

A. Reynolds 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. Reynolds is responsible for assuring that the reports are submitted to and received by the MREAC.

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

C. During the period of probation, Reynolds shall not sign appraisal reports as a supervising appraiser.

D. During the disciplinary period, Reynolds 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, Reynolds 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.

E. During the disciplinary period, Reynolds 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. Reynolds shall notify the MREAC in writing of any change in address or telephone number within 15 days of a change in this information.

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

G. During the disciplinary period, Reynolds 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 Reynolds'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.

H. Reynolds 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.

I. Reynolds shall appear before the MREAC or its representative for a personal interview upon the MREAC's written request.

J. If, at any time within the disciplinary period, Reynolds 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 Reynolds shall be fully restored if all requirements of law have been satisfied; provided, however, that in the event the MREAC determines that Reynolds 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 Reynolds'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 Reynolds 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. Reynolds 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 of 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. Reynolds, 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. This Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREAC. Upon full execution and finalization of this Settlement Agreement between the parties, including proper signatures from each

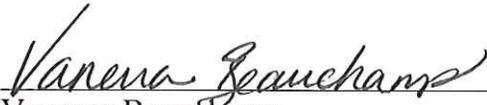
party, the MREAC agrees to dismiss, with prejudice, its case against Reynolds currently pending before the Administrative Hearing Commission.

LICENSEE

MISSOURI REAL ESTATE APPRAISERS
COMMISSION



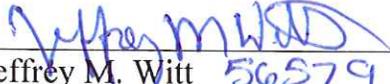
Daniel J. Reynolds



Vanessa Beauchamp
Executive Director

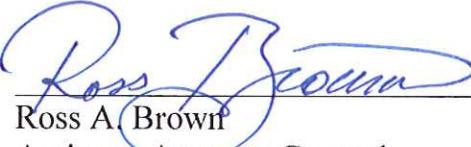
Date 7-16-2012

Date 7-26-12



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