



certificate on probation for a period of two years subject to terms and conditions. Downey's certificate was current and valid at all relevant times herein.

3. The relevant terms of the probationary period, beginning June 3, 2011 are stated as follows in the Settlement Agreement:

**2. Terms and conditions of the disciplinary period.** The

terms and conditions of the disciplinary period are as

follows:

.....

G. During the disciplinary period, Downey 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 Downey'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.

.....

5. This Settlement Agreement does not bind the MREAC or restrict the remedies available to it concerning any future violations by Downey of Chapter 339, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Settlement Agreement.

.....

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. Downey agrees and stipulates that the MREAC has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred.

**Count 1: 305 Little Brick Street**

4. The parties stipulated that the following allegations, as alleged in the June 3, 2013 Probation Violation Complaint, are true:

a. On April 12, 2012, Downey signed a summary appraisal report for 305 Little Brick Street, Cameron, Missouri, 64429 ("Brick Street Report"), prepared for Bank Northwest ("Northwest"), estimating the value of the property at \$550,000. The effective date of the report was April 12, 2012.

b. The preparation of the Brick Street Report Appraisal was required to be prepared in compliance with the Uniform Standards of Professional Appraisal Practice, ("USPAP"), 2012-2013 Edition.

c. Based on the following errors and omissions in the preparation of the Brick Street Report, Downey is in violation of § 339.535, RSMo; USPAP Standards 1 and 2; and USPAP Standards Rules 1-1(a) and (b), 1-2(b), 1-3(b), 1-4(a), 1-4(b)(iii), 1-4(c)(i)(ii) and (iii), 1-6(b), 2-2(b)(ii) and (viii) and 2-2(x)(i).

d. USPAP Standard Rule 1-1(a) states in pertinent part:

1. In developing a real property appraisal, an appraiser must:

(a) be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal[.]

e. In violation of USPAP Standard Rule 1-1(a), in the Brick Street Report Downey failed to apply proper appraisal methods and techniques to develop a credible appraisal.

f. USPAP Standard Rule 1-1(b) states in pertinent part:

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[.]

g. In violation of USPAP Standard 1-1(b), in the Brick Street Report Downey committed errors in the application of physical depreciation adjustments

that impacted the value opinion of the Cost Approach. Specifically, Downey committed an error in the application of external obsolescence that impacted the value of the Cost Approach.

h. USPAP Standard Rule 1-2(b) states in pertinent part:

1. In developing a real property appraisal, an appraiser must:

.....

b) identify the intended use of the appraiser's opinions and conclusions[.]

i. In violation of USPAP Standard 1-2(b), in the Brick Street Report Downey failed to make the use of the appraisal clear by using too broad a purpose without a specific use being noted for the appraisal.

j. USPAP Standard Rule 1-3(b) states in pertinent part:

When necessary for credible assignment results in developing a market value opinion, an appraiser must:

.....

b) develop an opinion of the highest and best use of the real estate.

k. In violation of USPAP Standard 1-3(b), in the Brick Street Report Downey failed to complete an analysis of the highest and best use of the subject as vacant, and failed to determine the specific highest and best use of the subject property.

l. USPAP Standard Rule 1-4(a) states in pertinent part:

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.

m. In violation of USPAP Standard 1-4(a), in the Brick Street Report Downey failed to support adjustments applied to improved comparable sales of the Sales Comparison Approach. Downey also failed to give consideration to the greater land-to-building ratio of Sales No. 1 of the Sales Comparison Approach.

n. USPAP Standard Rule 1-4(b)(iii) states in pertinent part:

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results:

.....

b) When a cost approach is necessary for credible assignment results, an appraiser must:

.....

(iii) analyze such comparable data as are available to estimate the difference between the cost new and the present worth of the improvements (accrued depreciation).

o. In violation of USPAP Standard 1-4(b)(iii), in the Brick Street Report Downey only used one sale for support of an external obsolescence adjustment and failed to provide an analysis of similar sales used in the Sales Comparison Approach. Additionally, the adjustment for external obsolescence was incorrectly applied.

1. USPAP Standard Rule 1-4(c)(i) states in pertinent part:

c) When an income approach is necessary for credible assignment results, an appraiser must:

(i) analyze such comparable rental data as are available and/or the potential earnings capacity of the property to estimate the gross income potential of the property[.]

p. In violation of USPAP Standard 1-4(c)(i), in the Brick Street Report Downey completed only minimal research of comparable lease and market

occupancy information in the area near the subject property for the Income Approach.

q. USPAP Standard Rule 1-4(c)(ii) states in pertinent part:

c) When an income approach is necessary for credible assignment results, an appraiser must:

.....

(ii) analyze such comparable operating expense data as are available to estimate the operating expenses of the property[.]

r. In violation of USPAP Standard 1-4(c)(ii), in the Brick Street Report Downey had a deduction for management expense in the income analysis, as well a separate deduction for accounting expense where accounting expenses are considered a part of management expense. The additional application of accounting expense affected the results of the Income Approach.

s. USPAP Standard Rule 1-4(c)(iii) states in pertinent part:

c) When an income approach is necessary for credible assignment results, an appraiser must:

.....

(iii) analyze such comparable data as are available to estimate rates of capitalization and/or rates of discount[.]

t. In violation of USPAP Standard 1-4(c)(iii), in the Brick Street Report Downey failed to include in the Income approach specific sales data for supporting the overall capitalization rate.

u. USPAP Standard Rule 1-6(b) states in pertinent part:

In developing a real property appraisal, an appraiser must:

.....

(b) reconcile the applicability and relevance of the approaches, methods and techniques used to arrive at the value conclusion(s).

v. In violation of USPAP Standard 1-6(b), in the Brick Street Report Downey offered only minimal discussion to explain the wide range of the value supported by the three approaches applied and failed to support the explanation for the wide value opinion range.

w. USPAP Standard Rule 2-2(b)(iv) states in pertinent part:

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

.....

(iv) state the real property interest appraised[.]

x. In violation of USPAP Standard 2-2(b)(iv), in the Brick Street Report Downey failed to clearly identify the real property interest appraised by identifying the subject property as leased fee interest and fee simple interest.

y. USPAP Standard Rule 2-2(b)(viii) states in pertinent part:

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

.....

(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[.]

z. In violation of USPAP Standard 2-2(b)(viii), in the Brick Street Report Downey provided only minimal information and analysis of the sales used in the Sales Comparison Approach. Furthermore, the land analysis of the Cost

Approach on page 32 of the Brick Street Report provided a statement regarding Sale No. 4 which was not included in the appraisal. Statements were also included involving Property Rights, Financing Terms, Conditions of Sale and Date of Sale, despite not being relevant to the appraisal due to being included after the land value was already determined.

aa. Downey further violated USPAP Standard 2-2(b)(viii) in the Brick Street Report by only providing minimal information for the sales used in the Sales Comparison Approach. No communication was offered in regard the use of Sales No. 2, an industrial building, as compared to the subject property in the Sales Comparison Approach. In the explanation of adjustments for the Sales Comparison Approach, it stated no adjustments were applied for location, despite a location adjustment being applied to Sale No. 3 in the analysis and Sales Comparison Grid. Downey provided only minimal support for adjustments made to comparable sales used in the Sales Comparison Approach.

bb. In the Income Approach, Downey provided no information for market occupancy and only minimal information on comparable leases in the area of the subject property. Downey also offered only minimal information on capitalization rates of improved sales for the supporting data for the application of a capitalization rate for the Income Approach.

cc. USPAP Standard Rule 2-2(b)(xi) states in pertinent part:

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

.....

(xi) include a signed certification in accordance with Standards Rule 2-3.

dd. In violation of USPAP Standard Rule 2-2(b)(xi) in the Brick Street Report, Downey included two certification pages with a non-USPAP compliant page at the front of the report and a second, compliant page located in the Addenda on Page 46.

5. Downey's conduct, as stipulated to in paragraphs 4a through 4dd above, constitutes incompetency and misconduct in the performance of the functions and/or duties of a real estate appraiser, providing cause to discipline his real estate appraiser certification pursuant to § 339.532.2(5), RSMo.

6. Downey's conduct, as stipulated to in paragraphs 4a through 4dd above, violates standards for the development and/or communication of real estate appraisal as provided in §§ 339.500 to 339.549, RSMO, and therefore constitutes cause to discipline his real estate appraiser certification pursuant to § 339.532.2(6), RSMo.

7. Downey's conduct, as stipulated to in paragraphs 4a through 4dd above, demonstrates a failure and/or refusal without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report, and/or communicating an appraisal, and therefore constitutes cause to discipline his real estate appraiser certification pursuant to § 339.532.2(8), RSMo.

8. Downey's conduct, as stipulated to in paragraphs 4a through 4dd above, demonstrates negligence and/or incompetence in developing an appraisal, in preparing an appraisal report, and/or in communicating an appraisal, and therefore constitutes cause to discipline his real estate appraiser certification pursuant to § 339.532.2(9), RSMo.

9. The parties stipulate that each of Downey's USPAP violations, as stipulated to in paragraphs 4a through 4dd above, constitute a violation of § 339.535, RSMO, and therefore constitute cause to discipline his real estate appraiser certification pursuant to § 339.532.2(7) and (10), RSMo.

10. Downey's conduct, as stipulated to in paragraphs 4a through 4dd above, violates the professional trust and confidence he owed to his clients, the intended users of the appraisal report, and the public, therefore constituting cause to discipline his real estate appraiser certification pursuant to § 339.532.2(14), RSMo.

11. The parties stipulate that Downey's conduct, as stipulated to in paragraphs 4a through 4cc above, demonstrates that Downey rendered appraisal services in violation of USPAP Standards 2 and 2, as stated in paragraphs 4a through 4dd, and § 339.535, RSMo, constituting cause to discipline Downey's real estate appraiser certification pursuant to § 339.532.2(5), (6), (7), (8), (9), (10), (14), RSMo.

12. The parties stipulate that Downey's conduct, as stipulated to in paragraphs 4a through 4cc above, is a violation of paragraph G of the Settlement Agreement, and therefore constitutes cause to discipline Downey's real estate appraiser certification pursuant to paragraph 7 of the Settlement Agreement and § 324.042, RSMo.

Count II: 1755 SE Fagin Lane

13. The parties stipulated that the following allegations, as alleged in the June 3, 2013 Probation Violation Complaint, are true:

a. On or about May 2, 2012, Downey signed a land appraisal report for 1755 Fagin Lane, Lathrop, Missouri, 64465 ("Fagin Lane Report"), prepared for Bank Northwest ("Northwest"), estimating the value of the property at \$1,224,000. The effective date of the report was May 2, 2012.

b. The preparation of the Fagin Lane Report Appraisal was required to be prepared in compliance with the Uniform Standards of Professional Appraisal Practice, ("USPAP"), 2012-2013 Edition.

c. Based on the following errors and omissions in the preparation of the Fagin Lane Report, Downey is in violation of § 339.535, RSMo; USPAP Standards 1 and 2;

Scope of Work Rule and USPAP Standards Rules 1-1(a), 1-2(h), 1-3(a), 1-4(a), 1-4(b),(c), and (d), 1-5(a), 1-6(a) and (b), 2-1(a) and (b), 2-2(b)(ii),(iii), (viii) and (ix), 2-2(c)(ii),(vi) and (viii).

d. USPAP Standard Rule 1-1(a) states in pertinent part:

In developing a real property appraisal, an appraiser must:

(a) be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal;

.....

e. In violation of USPAP Standard Rule 1-1(a), in the Fagin Lane Report Downey failed to correctly apply appraisal methods and techniques to develop a credible appraisal. Furthermore, Downey failed to properly analyze and communicate data to support a conclusion of value. Additionally, Downey used inconsistent and limited data throughout the report.

f. USPAP Standard Rule 1-2(h) states in pertinent part:

1. In developing a real property appraisal, an appraiser must:

.....

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

g. In violation of USPAP Standard Rule 1-2(h), in the Fagin Lane Report Downey did not analyze or communicate a scope of work. Downey failed to include evidence with the report that a scope of work was followed. Downey failed to provide sufficient data research, analysis and discussion in regard to the market area, the subject property and the comparable sales to support the estimated value of the subject property.

h. USPAP Standard Rule 1-3(a) states in pertinent part:

When necessary for credible assignment results in developing a market value opinion, an appraiser must:

(a) identify and analyze the effect on use and value of existing land use regulations, reasonably probable modifications of such land use regulations, economic supply and demand, the physical adaptability of the real estate, and market area trends

i. In violation of USPAP Standard 1-3(a), in the Fagin Lane Report Downey failed to provide sufficient data research, analysis and discussion in regard to the market area and the relationship with the subject property. Fagin did not supply sufficient analysis and communication to develop an opinion of the highest and best use of the subject property.

j. USPAP Standard Rule 1-4(a) states in pertinent part:

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.

k. In violation of USPAP Standard 1-4(a), in the Fagin Lane Report Downey failed to provide analysis or communication of the comparable sales' data to support an estimated value.

l. USPAP Standard Rule 1-4(b) states in pertinent part:

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results:

.....

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); and

(iii) analyze such comparable data as are available to estimate the difference between the cost new and the present worth of the improvements (accrued depreciation).

m. In violation of USPAP Standard 1-4(b), in the Fagin Lane Report Downey failed to provide sufficient data, analysis, or discussion to support replacement cost, new improvements, or to support depreciation application to the improvements.

n. USPAP Standard Rule 1-4(c) states in pertinent part:

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results:

.....

(c) When an income approach is necessary for credible assignment results, an appraiser must:

(i) analyze such comparable rental data as are available and/or the potential earnings capacity of the property to estimate the gross income potential of the property;

(ii) analyze such comparable operating expense data as are available to estimate the operating expenses of the property;

(iii) analyze such comparable data as are available to estimate rates of capitalization and/or rates of discount; and

(iv) base projections of future rent and/or income potential and expenses on reasonably clear and appropriate evidence.

o. In violation of USPAP Standard 1-4(c), in the Fagin Lane Report Downey failed to provide sufficient data, analysis of discussion to support earning capacity or operating expenses of the comparable sales and the subject property. There was no data or analysis of the comparable sales to support a capitalization rate to be

applied to the subject property, yet Downey applied a capitalization rate to the subject property and failed to offer an analysis as to how the comparable sales related to the subject.

p. USPAP Standard Rule 1-4(e) states in pertinent part:

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results:

.....

(e) When analyzing the assemblage of the various estates or component parts of a property, an appraiser must analyze the effect on value, if any, of the assemblage. An appraiser must refrain from valuing the whole solely by adding together the individual values of the various estates or component parts.

q. In violation of USPAP Standard 1-4(e), in the Fagin Lane Report Downey, despite the subject property possessing different types of resources, such as seeded upland soils, failed to assign different values to the separate resources and did not include sufficient analysis or communication about how the different resources related to the total estimated value.

r. USPAP Standard Rule 1-5(a) states in pertinent part:

When the value opinion to be developed is market value, an appraiser must, if such information is available to the appraiser in the normal course of business:

(a) analyze all agreements of sale, options, and listings of the subject property current as of the effective date of the appraisal[.]

s. In violation of USPAP Standard 1-5(a), in the Fagin Lane Report Downey failed to provide an analysis of all agreements of sale, options and listings of the subject property current as of the effective date of the appraisal.

t. USPAP Standard Rule 1-6(a) and (b) state in pertinent part:

In developing a real property appraisal, an appraiser must:

(a) reconcile the quality and quantity of data available and analyzed within the approaches used; and

(b) reconcile the applicability and relevance of the approaches, methods and techniques used to arrive at the value conclusion(s).

u. In violation of USPAP Standard 1-6(a) and (b), in the Fagin Lane Report Downey failed to adequately reconcile and analyze the data required that would support a final estimate of value.

v. USPAP Standard Rule 2-1(a) and (b) state in pertinent part:

Each written or oral real property appraisal report must:

(a) clearly and accurately set forth the appraisal in a manner that will not be misleading;

(b) contain sufficient information to enable the intended users of the appraisal to understand the report properly;

w. In violation of USPAP Standard 2-1(a), in the Fagin Lane Report Downey failed to provide sufficient data research, analysis and discussion in regard to the market area, the subject property and the comparable sales to support the estimated value of the subject property. In the report, Downey failed to clearly and accurately set forth the appraisal in a manner that was not misleading.

x. In violation of USPAP Standard 2-1(b), in the Fagin Lane Report Downey failed to provide and communicate sufficient data research, analysis and discussion to enable an intended user to understand the report.

y. USPAP Standard Rule 2-2(b)(ii), (iii), (viii) and (ix) state in pertinent part:

.....

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

...

(ii) state the intended use of the appraisal;

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

.....

(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;

(ix) state the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal; and, when an opinion of highest and best use was developed by the appraiser, summarize the support and rationale for that opinion[.]

z. In violation of USPAP Standard 2-2(b)(ii), (iii), (viii) and (ix), in the Fagin Lane Report Downey failed to analyze and provide the intended use of the appraisal and also failed to analyze, summarize and communicate the Scope of Work used to develop the report. In the report, Downey failed to communicate summarized analytical information, the appraisal methods and techniques that were employed and any reasoning that supports the analysis, opinions and conclusions. Additionally, Downey failed to explain or analyze the exclusion of the Cost Approach and there was no analysis or communication of the opinion in regard to the highest and best use of the subject property.

aa. USPAP Standard Rule 2-2(c)(ii), (vii) and (viii) state in pertinent part:

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

.....

(ii) state the intended use of the appraisal;

.....

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

(viii) state the appraisal methods and techniques employed, state the value opinion(s) and conclusion(s) reached, and reference the workfile; exclusion of the sales comparison approach, cost approach, or income approach must be explained[.]

bb. In violation of USPAP Standard 2-2(c)(ii), (vii) and (viii), in the Fagin Lane Report Downey failed to communicate the intended use of the appraisal, the scope of work used to develop the appraisal, and the appraisal methods used, techniques employed and conclusions reached. Downey additionally failed to communicate or explain any exclusion of the sales, cost or income approaches.

14. Downey's conduct, as stipulated to in paragraphs 13a through 13bb above, constitutes incompetency and misconduct in the performance of the functions and/or duties of a real estate appraiser, constituting cause to discipline his real estate appraiser certification pursuant to § 339.532.2(5), RSMo.

15. Downey's conduct, as stipulated to in paragraphs 13a through 13bb above, violates standards for the development and/or communication of real estate appraisals as provided pursuant to §§ 339.500 to 339.549, RSMo, constituting cause to discipline his real estate appraiser certification pursuant to § 339.532.2(6), RSMo.

16. Downey's conduct, as stipulated to in paragraphs 13a through 13bb above, demonstrates a failure and/or refusal without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report, and/or communicating an appraisal, constituting cause to discipline his real estate appraiser certification pursuant to § 339.532.2(8), RSMo.

17. Downey's conduct, as stipulated to in paragraphs 13a through 13bb above, demonstrates negligence and/or incompetence in developing an appraisal, constituting cause to discipline his real estate appraiser certification pursuant to § 339.532.2(9), RSMo.

18. The parties stipulate that each of Downey's USPAP violations, as stipulated to in paragraphs 13a through 13bb above, constitute cause to discipline his real estate appraiser certification pursuant to § 339.532.2(7) and (10), RSMo.

19. Downey's conduct, as stipulated to in paragraphs 13a through 13bb above, violates the professional trust and confidence owed to his clients, the intended users of the appraisal report, and the public, constituting cause to discipline his real estate appraiser certification pursuant to § 339.532.2(14), RSMo.

20. The parties stipulate that Downey's conduct, as stipulated to in paragraphs 13a through 13bb above, demonstrates that Downey rendered appraisal services in violation of USPAP Standards 1 and 2, as cited in paragraphs 13a through 13bb above, and § 339.535, RSMo, constituting cause to discipline his real estate appraiser certification pursuant to § 339.532.2(5), (6), (7), (8), (9), (10) and (14), RSMo.

21. The parties stipulate that Downey's conduct, as stipulated to in paragraphs 13a through 13bb above, constitute a violation of paragraph G of the Settlement Agreement, therefore constituting cause to discipline his real estate appraiser certification pursuant to paragraph 7 of the Settlement Agreement and § 324.042, RSMo.

22. On or about June 3, 2013, the MREAC sent notice by regular mail and certified mail to Downey notifying him of the probation violation complaint and of the probation violation hearing in this matter set for September 10, 2013 at 1:00 p.m. at the Missouri Council of School Administrators Building, 3550 Amazonas Drive, Jefferson City, Missouri.

23. The MREAC has jurisdiction in this proceeding, pursuant to the Settlement Agreement to determine whether Downey has violated the terms and conditions of the Settlement Agreement. Specifically, page 20 states: "Downey agrees and stipulates that the MREAC has continuing jurisdiction to hold a hearing to determine if a violation of this Order has occurred."

24. The MREAC also retained jurisdiction over this matter pursuant to page 20, paragraph 7, of the Settlement Agreement which states in pertinent part:

If any alleged violation of this Order 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 disciplinary action under § 324.042, RSMo.

25. The MREAC also has jurisdiction pursuant to § 324.042, RSMo to determine whether Downey has violated the terms and conditions of the Settlement Agreement.

Section 324.042 states, in pertinent part:

Any board, commission, or committee within the division of professional registration may impose additional discipline when it finds after hearing that a licensee, registrant, or permittee has violated any disciplinary terms previously imposed or agreed to pursuant to settlement. The board, commission, or committee may impose as additional discipline, any discipline it would be authorized to impose in an initial disciplinary hearing.

26. Section 339.532.2, RSMo, states, in pertinent part:

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[.]

27. 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.

28. Cause exists to take additional discipline of Downey's certificate pursuant to paragraph 7 of the Settlement Agreement and §§ 339.532.2(5), (6), (7), (8), (9), (10) and (14), RSMo.

29. The Settlement Agreement and § 324.042 allow the MREAC to take such disciplinary action that the MREAC deems appropriate for failure to comply with the terms of the Settlement Agreement.

**Decision and Order**

It is the decision of the MREAC that Downey has violated the terms of the Settlement Agreement, and that his certification is, therefore, subject to further disciplinary action.

The MREAC orders that James Downey's certification as a certified general real estate appraiser, number RA002523, be and is hereby **REVOKED**.

Respondent shall immediately return all indicia of licensure to the Commission.

The Commission will maintain this Order as an open and public record of the Commission as provided in Chapters 339, 610, and 324, RSMo.

SO ORDERED this 16<sup>th</sup> day of September, 2013.

**MISSOURI REAL ESTATE APPRAISERS  
COMMISSION**



**Vanessa Beauchamp,  
Executive Director**