

**SETTLEMENT AGREEMENT**  
**BETWEEN**  
**MISSOURI REAL ESTATE APPRAISERS COMMISSION**  
**AND**  
**JEFFREY L. NOYES**

Jeffrey L. Noyes (“Noyes”) and the Missouri Real Estate Appraisers Commission (“MREAC”) enter into this Settlement Agreement for the purpose of resolving the question of whether Noyes’ certification as a state-certified residential real estate appraiser, certificate no. 2006025479, 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. 2009. The MREAC and Noyes jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo Cum. Supp. 2009.

Noyes 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 him; the right to a ruling on questions

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

of law by the Administrative Hearing Commission; the right to a disciplinary hearing before the MREAC at which time Noyes 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, Noyes 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.

Noyes 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. Noyes stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREAC that Noyes's certification as a state-certified residential real estate appraiser, certificate no. 2006025479, 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 Noyes in Part II herein is based only on the agreement set out in Part I herein. Noyes 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 Noyes herein jointly stipulate to the following:

1. The Missouri Real Estate Appraisers Commission (“MREAC”) was established pursuant to § 339.507, RSMo Cum Supp. 2009, for the purpose of executing and enforcing the provisions of §§ 339.500 through 339.549, RSMo, as amended.

2. Respondent Jeffrey L. Noyes (“Noyes”) is certified by the MREAC as a state-certified residential real estate appraiser, certificate no. 2006025479.

3. Noyes’ certification was current and active at all time relevant to this Complaint.

3. Section 339.532.2, RSMo, provides 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 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;

4. Section 339.535, RSMo 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 board of the appraisal foundation.

5. On or about November 6, 2007, Noyes completed and signed a summary appraisal report for residential real estate located at 3308 Miami Street, St. Louis, MO 63118 (“the Miami Street property”). The effective date of the appraisal report was November 6, 2007. This appraisal valued the property at \$140,000. This appraisal shall be referred to hereinafter as the “Miami Street Appraisal Report.”

6. Noyes was required to develop and report the results of the Miami Street Appraisal Report in compliance with the Uniform Standards of Professional Appraisal Practice (“USPAP”), 2006 Edition.

7. The Miami Street Appraisal Report was prepared for American Home Lending Group.

8. In preparation of the Miami Street Appraisal Report, Noyes made significant and/or substantial errors of omission and/or commission, including, but not limited to:

- a. failing to report that the subject property had been listed for sale at \$121,500 on March 27, 2007, was reduced to \$109,900 on April 19, 2007, was reduced to \$108,500 on June 9, 2007, was further reduced to \$107,900, before being withdrawn on July 7, 2007;
- b. reporting that the kitchen and bath of the subject property had been updated without indicating when the work had been completed;
- c. reporting that the subject property consisted of “frame and brick” when the property was brick construction;
- d. reporting that the subject property is zoned as “SFR” (single family residential), when the subject property is zoned “B: two family dwelling district”;
- e. noting as part of the description of the subject property that the foundation has settled, yet failed to describe the severity of settlement;

- f. incorrectly reporting the overall price range and predominant price range for One-Unit Housing in the subject neighborhood;
- g. incorrectly reporting the percentage of 2-4 Unit homes in the subject neighborhood.

9. In the preparation of the Sales Comparison Analysis in the Miami Street Appraisal Report, Noyes made significant and/or substantial errors of omission and/or commission, including, but not limited to:

- a. failing to use available comparable sales in the same neighborhood as the subject property and instead choosing sales from a superior neighborhood, which was on the other side of Gravois Avenue and in a different school district, without adjusting for the differences;
- b. using comparable sales of homes that have gabled roofs rather than a flat roof like that of the subject property, and failing to adjust for the difference;
- c. incorrectly reporting and failing to adequately adjust for the higher square footage of Comparable Sale 1;
- d. incorrectly adjusting for the value of the garage and lack of fireplace for Comparable Sale 1;
- e. incorrectly adjusting for the value of the garage, lack of patio, and fireplace for Comparable Sale 2;

- f. incorrectly adjusting for the value of the garage and enclosed porch in Comparable Sale 3;
- g. incorrectly reporting that Comparable Sales 1, 2, and 3 consisted of “frame and brick,” when these properties were of brick construction;
- h. failing to consider the impact of foreclosure sales in the immediate market area on the subject property’s marketability.

10. In the preparation of the Cost Approach in the Miami Street Appraisal Report, Noyes made significant and/or substantial errors of omission and/or commission, including, but not limited to:

- a. inaccurately reporting the subject property that was built in 1910 as having an effective age of fifteen (15) years;
- b. failing to provide adequate support to justify the low effective age; and/or underestimating the depreciation, thereby overstating the estimated market value under the cost approach.

11. The Miami Street Appraisal Report overestimates the value, is not credible, is misleading, and/or fraudulent, and was developed and reported in violation of USPAP Standards 1 and 2.

- a. USPAP Standard 1, regarding the development of an appraisal, provides:

In developing a real property appraisal, an appraiser must identify the problem to be solved and the scope of work necessary to solve the problem, and correctly complete research and analysis necessary to produce a credible appraisal.

b. USPAP Standard 2, regarding the reporting of an appraisal, provides:

In reporting the results of a real property appraisal, an appraiser must communicate each analysis, opinion, and conclusion in a manner that is not misleading.

12. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes failed to correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal, in violation of USPAP Standard 1 and Standards Rule ("SR") 1-1(a), which states:

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[.]

13. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes committed substantial errors of omission and/or commission that significantly affected the appraisal, in violation of USPAP Standard 1 and SR 1-1(b), which states:

In developing a real property appraisal, an appraiser must:

(b) not commit a substantial error of omission or commission that significantly affects an appraisal[.]

14. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes rendered appraisal services in

a careless and/or negligent manner, in violation of USPAP Standard 1 and SR 1-1(c), which states:

In developing a real property appraisal, an appraiser must:

- (c) not render appraisal services in a careless or negligent manner, such as by making a series of errors that, although individually might not significantly affect the result of an appraisal, in the aggregate affects the credibility of those results.

15. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes failed to identify the characteristics of the property that are relevant to the type and definition of value and intended use of the appraisal, including its location and physical, legal, and economic attributes, in violation of SR 1-2(e)(i), which states:

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) its location and physical, legal, and economic attributes[.]

16. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes failed to, in developing a market value opinion, 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, in violation of SR 1-3(a), which states:

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[.]

17. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes failed to, in the preparation of the Sales Comparison Analysis, collect, verify, and analyze all information necessary for credible assignment results, in violation of USPAP Standard 1 and SR 1-4(a), which states:

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 applicable, an appraiser must analyze such comparable sales data as are available to indicate a value conclusion.

18. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes failed to analyze all agreements of sale, options, and listings of the subject property, in violation of SR 1-5(a), which states:

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[.]

19. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes failed to analyze all sales of the subject property that occurred within the three (3) years prior to the effective date of the appraisal, in violation of SR 1-5(b), which states:

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:

- (b) analyze all sales of the subject property that occurred within the three (3) years prior to the effective date of the appraisal.

20. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes failed to clearly and accurately set forth the appraisal in a manner that would not be misleading, in violation of USPAP Standard 2 and SR 2-1(a), which states:

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[.]

21. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes failed to prepare a report that contained sufficient information to enable the intended users of the appraisal to understand the report properly, in violation of USPAP Standard 2 and SR 2-1(b), which states:

Each written or oral real property appraisal report must:

- (b) contain sufficient information to enable the intended user of the appraisal to understand the report properly[.]

22. Based on Noyes' errors and/or omissions in developing and reporting the results of the Miami Street Appraisal, as alleged herein, Noyes communicated results in a misleading and/or fraudulent manner, in violation of the USPAP Ethics Rule regarding conduct, which states:

An appraiser must perform assignments ethically and competently, in accordance with USPAP and any supplemental standards agreed to by the appraiser in accepting the assignment.

....

An appraiser must not communicate assignment results in a misleading or fraudulent manner. An appraiser must not use or communicate a misleading or fraudulent report or knowingly permit an employee or other person to communicate a misleading or fraudulent report.

....

23. Noyes' conduct, as alleged herein, demonstrates incompetency, misconduct, gross negligence, dishonesty, fraud and/or misrepresentation 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.

24. Noyes' conduct, as alleged herein, violates standards for the development and/or communication of real estate appraisals as provided in or pursuant to §§ 339.500 to 339.549, RSMo, providing cause to discipline his real estate appraiser certification pursuant to § 339.532.2(6), RSMo.

25. Noyes' conduct, as alleged herein, 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, providing cause to discipline his real estate appraiser certification pursuant to § 339.532.2(8), RSMo.

26. Noyes' conduct, as alleged herein, demonstrates negligence and/or incompetence in developing an appraisal, in preparing an appraisal report, and/or in communicating an appraisal, providing cause to discipline his real estate appraiser certification pursuant to § 339.532.2(9), RSMo.

27. Each of Noyes' USPAP violations, as alleged herein, constitutes a violation of § 339.535, RSMo, providing cause to discipline his real estate appraiser certification pursuant to § 339.532.2(7) and (10), RSMo.

28. Noyes' conduct, as alleged herein, violates the professional trust and confidence he owed to his clients, the intended users of the appraisal report, and the public, providing cause to discipline his real estate appraiser certification pursuant to § 339.532.2(14), RSMo.

29. Noyes' conduct, as alleged herein, demonstrates that Noyes rendered appraisal services in violation of the USPAP Ethics Rule, USPAP Standards 1 and 2, the USPAP Standards Rules cited herein, and § 339.535, RSMo, providing cause to discipline Noyes' certification as a state certified residential real estate appraiser pursuant to §§ 339.532.2(5), (6), (7), (8), (9), (10) and (14), RSMo.

**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. 2009.

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

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

a. Noyes shall submit written reports to the MREAC by no later than March 1 and September 1, during each year of the disciplinary period stating truthfully whether there has been compliance with all terms and conditions of this Settlement Agreement. The first written report shall be submitted on or before March 1, 2011. The final written report shall be submitted to the MREAC 90 days prior to the end of the disciplinary period. Each written report shall be submitted no earlier than 30 days prior to the respective due date. Noyes is responsible for assuring that the reports are submitted to and received by the MREAC.

b. During the disciplinary period, Noyes shall maintain a log of all

appraisal assignments as required by 20 CSR 2245-2.050. A true and accurate copy of the log shall be submitted to the MREAC by no later than March 1 and September 1 during each year of the disciplinary period. The first log shall be submitted on or before March 1, 2011. The last log shall be submitted to the MREAC 90 days prior to the end of the disciplinary period. Each log submitted shall be current to at least 30 days prior to the respective due date. Noyes is responsible for assuring that the logs are submitted to and received by the MREAC. Upon MREAC request, Noyes shall submit copies of his work samples for MREAC review.

c. During the disciplinary period, Noyes 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, Noyes 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.

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

e. Noyes 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.

f. During the disciplinary period, Noyes 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 Noyes' 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.

g. Noyes shall accept and comply with reasonable announced visits from the MREAC's duly authorized agents, provided that the MREAC gives at least one (1) days notice to Noyes, upon which the MREAC agent is permitted to enter his place of business and/or residence to monitor compliance with the terms and conditions stated herein. Noyes' failure to comply with any reasonable announced visits and/or request from the MREAC agent constitutes a violation of the terms of this Settlement Agreement.

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

i. If, at any time within the disciplinary period, Noyes removes himself from the State of Missouri, ceases to be currently certified under the provisions of

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.

32. Upon the expiration of the disciplinary period, the certification of Noyes shall be fully restored if all requirements of law have been satisfied; provided, however, that in the event the MREAC determines that Noyes 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 Noyes' certification.

33. 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.

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

35. 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.

36. If any alleged violation of this Settlement Agreement occurs 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. Noyes agrees and stipulates that the MREAC has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred.

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

38. 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.

39. 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.

40. Noyes, together with his 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,

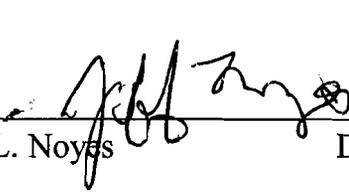
actions, causes of action, fees, costs, expenses, and compensation, including, but not limited to, any claim for attorney's fees and expenses, whether or not now known or contemplated, including, but not limited to, any claims pursuant to § 536.087, RSMo as amended, or any claim arising under 42 U.S.C. § 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.

41. Noyes understands that he may, either at the time the Settlement Agreement is signed by all parties, or within 15 days thereafter, submit the agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties constitute grounds for disciplining Noyes' certification. If Noyes desires the Administrative Hearing Commission to review this Settlement Agreement, Noyes may submit his request to: Administrative Hearing Commission, Truman State Office Building, Room 640, 301 West High Street, P.O. Box 1557, Jefferson City, Missouri 65102.

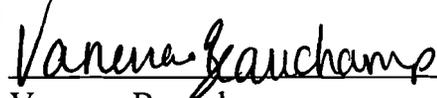
42. If Noyes requests review, this Settlement Agreement shall become effective on the date the Administrative Hearing Commission issues its order finding that the Settlement Agreement sets forth cause for disciplining Noyes' certification. If Noyes does not request

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.

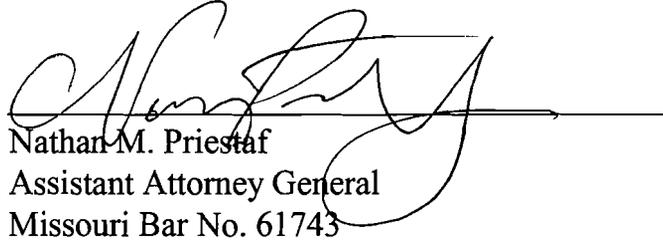
**LICENSEE**

Jeffrey L. Noyes  1/3/11  
Date

**MISSOURI REAL ESTATE APPRAISERS  
COMMISSION**

Vanessa Beauchamp  1/11/2011  
Date  
Vanessa Beauchamp  
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