

I.

Based upon the foregoing, the Commission hereby states:

FINDINGS OF FACT

1. The Commission is an agency of the state of Missouri created and established pursuant to § 339.507, RSMo, for the purpose of licensing all persons engaged in the practice of real estate appraisal in this state. The Commission has control and supervision of the licensed occupations and enforcement of the terms and provisions of Chapter 339.500 to 339.549, RSMo.
2. Kelly Pridgen, currently resides at 2822 W. Saratoga, Ozark, Missouri.
3. On or about March 5, 2013, Pridgen completed the application for a residential appraiser certification.
4. On or about August 27, 2013, Pridgen passed the residential appraiser examination.
5. On or about November 18, 2013, Pridgen submitted her experience log containing twenty-four months and 2,500 hours of experience. The Commission requested two work samples based on her experience log.
6. On or about December 4, 2013, Pridgen submitted two appraisals to the Commission for review.
7. The Commission met with Pridgen on March 18, 2014 regarding the two appraisals. Pridgen also presented the Commission with her qualifications including education, professional education, experience and types of appraisals.
8. On or about March 20, 2014, the Commission completed its final review of Pridgen's appraisal of a residential property located at 4056 E. Farm Road, Springfield, Missouri ("Farm Road" appraisal).

9. The Farm Road Appraisal did not comply with several provisions of the Uniform Standards of Professional Appraisal Practice (USPAP):

- a. It failed to comply with USPAP Standards Rule 1-1(a) because Pridgen was not aware of, understood, and correctly employed recognized methods and techniques necessary to produce a credible appraisal in that Pridgen did not appear to understand recognized methods and techniques within the sales comparison approach to value.
- b. It failed to comply with USPAP Standards Rule 1-4(a) because in developing a real property appraisal where the sales comparison approach is necessary for credible assignment results, Pridgen did not analyze comparable sales data available to indicate a value conclusion in that Pridgen did not demonstrate the ability to go beyond the area if necessary to get comparable sales and to find and show land comparable sales to illustrate possible site adjustments. Additionally, Pridgen did not discuss quality, age, design and condition adjustments in depth. The comparable sales Pridgen used did not appear to be comparable. Comparable sale number two was much larger and not even marginally comparable.
- c. It failed to comply with USPAP Standards Rule 1-4(b)(i) because the cost approach was necessary for credible assignment results and Pridgen did not develop an opinion of site value by an appropriate appraisal method or technique in that Pridgen did not develop the site value which was extremely important for use in the cost as well as the sales comparison approaches to value.
- d. It failed to comply with USPAP Standards Rule 1-6(a) because in developing a real property appraisal, Pridgen did not reconcile the quality and quantity of data

available or analyze within the approaches used in that Pridgen should have included a much more detailed discussion to show value of land in the area. This could have been completed historically including more applicable comparable sales as necessary.

- e. It failed to comply with USPAP Standards Rule 2-1(a) because in reporting the results of a real property appraisal, Pridgen did not communicate the analysis, opinion and conclusion in a manner that was not misleading because Pridgen did not clearly and accurately set forth the appraisal in a non-misleading manner in that because of her use of superior comparable sales and high adjustments, the appraisal appears misleading.
- f. It failed to comply with USPAP Standards Rule 2-1(b) because the written appraisal report did not contain sufficient information to enable the intended users of the appraisal to understand the report properly in that Pridgen did not include or analyze any information for land value.

II.

CONCLUSIONS OF LAW

10. The Commission has authority to deny or refuse any certificate or license application pursuant to § 339.532.1, RSMo, which provides:

The Commission may refuse to issue or renew any certificate or license issued pursuant to sections 339.500 to 339.549 for one or any combination of causes stated in subsection 2 of this section. The Commission shall notify the applicant in writing of the reasons for the refusal and shall advise the applicant of his or her right to file a complaint with the administrative hearing commission as provided by chapter 621, RSMo.

11. The Commission has cause to deny or refuse Pridgen's application for a certified residential appraiser license pursuant to § 339.532.2, RSMo, which provides:

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:

...

- (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[.]

12. As a result of Pridgen's non-compliance with numerous provisions of USPAP in the Farm Road Appraisal, the Commission has cause to deny or refuse Pridgen's application for a residential appraiser certification pursuant to § 339.532.1, RSMo, and § 339.532.2 (7) and (8), RSMo.

13. As an alternative to refusing to issue a certification, the Commission may, at its discretion, issue a certification subject to probation, pursuant to § 324.038.1, RSMo, which provides:

Whenever a Commission within or assigned to the division of professional registration, including the division itself when so empowered, may refuse to issue a license for reasons which also serve as a basis for filing a complaint with the administrative hearing commission seeking disciplinary action against a holder of a license, the Commission, as an alternative to refusing to issue a license, may, at its discretion, issue to an applicant a license subject to probation.

14. The Commission issues this Order in lieu of denial of Pridgen's application for a residential appraiser certification. The Commission has determined that this Order is necessary to ensure the protection of the public.

III.

ORDER

15. Based on the foregoing, Kelly Pridgen is granted a residential appraiser certification, which is hereby placed on **PROBATION** for a period of one (1) year from the effective date of this Order, subject to the terms and conditions set forth below.

IV.

TERMS AND CONDITIONS

16. During the aforementioned probation, Kelly Pridgen shall be entitled to present herself and serve as a certified residential appraiser subject to the following terms and conditions:

I. Education Requirements

- A. Within six months after the effective date of this Order, Pridgen shall submit verification to the Commission of successful completion of a fifteen hour approved site valuation and cost approach qualifying education course, including examination.

II. General Requirements

- A. During the probationary period, Pridgen shall not supervise any real estate appraisal, as defined by § 339.503(1), RSMo, of property located in the state of Missouri nor sign any appraisal for property located in Missouri as an appraisal supervisor.
- B. During the probationary period, Pridgen shall maintain a log of all appraisal assignments completed, including appraisal values. Pridgen shall submit a true and accurate copy of her log to the MREAC within three (3) months after the effective date of this Order and a copy of the log within nine (9) months after the effective date of this Order. All logs shall comply with rule 20 CSR 2245-2.050.
- C. During the disciplinary period, Pridgen shall keep the Commission informed of her current work and home telephone numbers. Pridgen shall notify the Commission in writing within ten days (10) of any change in this information.
- D. During the probationary period, Pridgen shall timely renew her certification granted hereby and shall timely pay all fees required for certification and comply with all other Commission requirements necessary to maintain said license in a current and active state.

- E. During the probationary period, Pridgen shall accept and comply with unannounced visits from the Commission's representatives to monitor compliance with the terms and conditions of this Order.
- F. During the disciplinary period, Pridgen shall appear in person for interviews with the Commission or its designee upon request.
- G. Pridgen shall submit written reports to the Commission every six (6) months during the probationary period stating truthfully whether there has been compliance with all terms and conditions of this Order. The first such report shall be received by the Commission on or before six months from the effective date of this Order.
- H. Pridgen shall execute any release or provide any other authorization necessary for the Commission to obtain records of her employment during the terms of the permit.
- I. Pridgen shall comply with all provisions of §§ 339.500 to 339.549, RSMo; all federal and state drug laws, rules, and regulations; and all federal and state criminal laws. "State" here includes the state of Missouri, all other states and territories of the United States, and the ordinances of political subdivisions of any state or territory. Pridgen shall immediately report any violation of this provision to the Commission in writing. Pridgen shall also immediately report any allegation that she has violated this provision to the Commission, in writing. Examples of allegations of such a violation include, but are not limited to, any arrest, summons, inquiry by any law enforcement official into these topics, or inquiry into these topics by a health oversight agency. Pridgen shall sign releases or other documents authorizing and requesting the holder of any closed record related to this paragraph to release such records to the Commission.
- J. Pridgen is hereby informed that the Missouri Real Estate Appraisers Commission will maintain this Order as an open record of the Commission as provided in Chapters 610, 339 and 324, RSMo. She shall truthfully answer any inquiry regarding her license status or disciplinary history.
- K. Pridgen shall immediately submit documents showing compliance with the requirements of this Order to the Commission when requested.
- L. In the event the Commission determines that Pridgen has violated any term or condition of this Order, the Commission may, in its discretion, after an evidentiary hearing, suspend, revoke, or otherwise lawfully discipline Pridgen's certification.
- M. No Order shall be entered by the Commission pursuant to the preceding paragraph of this Order without notice and an opportunity for hearing before the Commission in accordance with the provisions of Chapter 536, RSMo.
- N. If, at any time during the probationary period, Pridgen changes her address from the state of Missouri, or ceases to maintain her certified residential appraiser license current or active under the provisions of Chapter 339, RSMo, or fails to keep the Commission

advised of all current places of residence, the time of such absence, unlicensed or inactive status, or unknown whereabouts shall not be deemed or taken to satisfy any part of the probationary period.

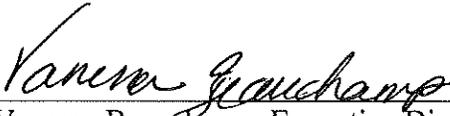
- O. Unless otherwise specified by the Commission, all reports, documentation, notices, or other materials required to be submitted to the Commission shall be forwarded to: Missouri Real Estate Appraisers Commission, P.O. Box 1335, Jefferson City, Missouri 65102.
- P. Any failure by Pridgen to comply with any condition of discipline set forth herein constitutes a violation of this Order.

17. This Order does not bind the Commission or restrict the remedies available to it concerning any violation by Respondent of the terms and conditions of this Order, Chapter 339, RSMo, or the regulations promulgated thereunder.

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

SO ORDERED, EFFECTIVE THIS 5th DAY OF APRIL, 2014.

MISSOURI REAL ESTATE APPRAISERS COMMISSION



Vanessa Beauchamp, Executive Director