

**SETTLEMENT AGREEMENT BETWEEN**  
**MISSOURI REAL ESTATE APPRAISERS COMMISSION**  
**AND LEE E. PRICE**

Lee E. Price (“Price”) and the Missouri Real Estate Appraisers Commission (“MREAC”) enter into this Settlement Agreement for the purpose of resolving the question of whether Price’s certification as a state-certified real estate appraiser – general, no. RA001526, 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 Supp. 2011. The MREAC and Price jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo Supp. 2011. Price enters this Settlement Agreement for the purposes of settlement only and to avoid the additional expense of litigation. This Settlement Agreement shall fully and finally resolve all complaints and disciplinary matters currently outstanding related to the complaint filed by Donald Brown on or about October 15, 2010, and within the MREAC’s knowledge.

Price 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

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

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

Price 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. Price stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREAC that Price's certification as a state-certified real estate appraiser - general, certificate no. RA001526, is subject to disciplinary action by the MREAC in accordance with the relevant provisions of Chapter 621, RSMo, and Chapter 339, RSMo, as amended.

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

1. Lee E. Price is certified by Missouri State-certified real estate appraisers Commission as a state-certified appraiser – general, certificate no. RA001526. At all relevant times herein, Price’s certification was active and current.

2. On May 25, 2010, Price and J. Robert Hunter signed a Uniformed Rural Appraisal Report for Part of Sections 20/29, Township 34 N, Range 31 W, Vernon County, Nevada, Missouri 64874, (“Rural Report”) prepared for Alvin & Elizabeth Brown Trust c/o R.J. Jones (“Jones”), estimating the value of the property at \$360,000. The effective date of the report was May 14, 2010.

3. Section 339.535, RSMo Supp. 2010, states in pertinent part:

State certified residential state-certified real estate appraisers and state licensed residential state-certified real estate appraisers shall comply with the Uniform Standards of Professional Appraisal Practice promulgated by the appraisal standards board of the appraisal foundation.

4. The preparation of the Rural Report was required to be prepared in compliance with the Uniform Standards of Professional Appraisal Practice, (“USPAP”), 2010-2011 Edition.

5. Price violated Section 339.535, RSMo, in that he violated USPAP Standards 1 and 2, and USPAP Standard Rules 1-1, 1-2, 1-3, 1-4, 2-1, and 2-

2. Specifically:

- a. Price failed to develop and support his opinion of the highest and best use as recreational of the real estate by using the four tests analysis.
- b. Price inconsistently used comparable sales from a variety of land classes with varying soil qualities.
- c. Price improperly analyzed comparable sales under the cost approach by using the highest values for each class of land,
- d. Price incorrectly applied the Income Approach by using dissimilar comparable sales, such as land with good crop land versus the wooded, poor crop land of the subject property; thus, using capitalization rates which are not representative of the limited income stream that the subject property would generate.
- e. Price failed to reconcile quality and quantity of data used with Sales Comparison and Cost Approach.

f. Price failed to clearly and accurately set forth the appraisal in a manner that wasn't misleading by failing to include important worksheets, data analysis, and narratives, which would have clarified how the conclusion was developed.

g. Price incorrectly listed the Brown Trust as the client, not R.J. Jones who requested the report independently of the Brown Trust.

h. Price failed to include a proper legal description.

j. Price failed to properly summarize the information analyzed and the appraisal methods used by 1) not analyzing properly land class values used in the Cost Approach which were superior to the subject; 2) failing to support the rental rates chosen in the Income Approach; 3) using superior quality farms with no adjustments in the Sales Comparison Approach.

6. Price's conduct as stated above provides cause to discipline his license pursuant to § 339.532.2 (7) and (10) 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 state-certified 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:

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(7) Failure to comply with the Uniform Standards of Professional Appraisal Practice promulgated by the appraisal standards board of the appraisal foundation; . . . . .

(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 Supp. 2011.

7. **Price's certification is on probation.** Price's certification as a state-certified real estate appraiser - general is hereby placed on PROBATION for a period of 1 YEAR. The period of probation shall constitute the "disciplinary period." During the disciplinary period, Price shall be entitled to practice as a state-certified real estate appraiser - general under Chapter 339, RSMo, as amended, provided Price adheres to all the terms of this agreement.

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

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

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

C. Price was requested that within six months after the effective date of this Settlement Agreement, to submit verification to the MREAC of successful completion of ASFMRA AGWARE URAR course, including examination, as well as to submit verification to the MREAC of successful completion of thirty (30)-hour approved course, including examination, on sales comparison ASFMRA.

D. Prior to the execution of this Settlement Agreement, Price attended and completed the following courses: General Appraisers Market Analysis w/Test – Presented by the Appraisal Institute from July 24 to July 27 in Aurora, Colorado; General Appraisers Sales Comparison w/Test – presented by the Appraisal Institute from August 6 to August 9 in Chicago Illinois; and General Appraisers

Income Approach w/Test – presented by American Society of Farm Managers and Rural Appraisers from July 15 to July 20 in Des Moines, Iowa.

E. As of the execution of this Settlement Agreement, the MREAC has agreed that the above mentioned course in Paragraph D, are acceptable replacements in lieu of the courses outlined in Paragraph C. However, certificates of completion must be submitted to the MREAC at the time of execution of this Settlement Agreement.

F. Price may not apply the education required by this Settlement Agreement to satisfy the continuing education hours required for certification renewal.

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

H. During the disciplinary period, Price shall not serve as a supervising appraiser to trainee state-certified real estate appraisers under 20 CSR 2245-3.005. Within ten days of the effective date of this Settlement Agreement, Price shall advise each trainee state-certified 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.

I. During the disciplinary period, Price 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. Price shall notify

the MREAC in writing of any change in address or telephone number within 15 days of a change in this information.

J. Price 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.

K. During the disciplinary period, Price 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 Price's certification as a state-certified 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.

L. Price 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.

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

N. If, at any time within the disciplinary period, Price 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.

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

10. 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.

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

12. 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.

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

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

15. 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.

16. 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.

17. Price, 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,

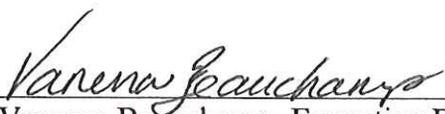
including, but not limited to, any claims pursuant to § 536.087, RSMo (as amended), or any claim arising under 42 U.S.C. § 1983, which now or in the future may be based upon, arise out of, or relate to any of the matters raised in this case or its litigation or from the negotiation or execution of this 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.

18. This Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREAC.

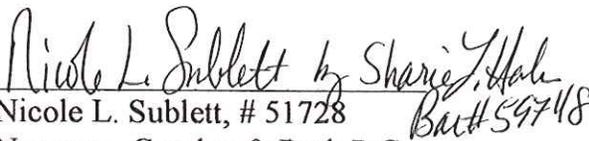
**LICENSEE**

  
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Lee E. Price  
Date 5-27-2014

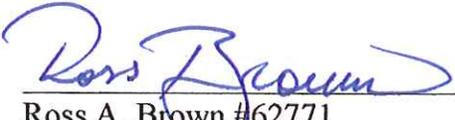
**REAL ESTATE APPRAISERS  
COMMISSION**

  
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Vanessa Beauchamp, Executive Director  
Date: 6-4-14

**NEWMAN, COMLEY, & RUTH, P.C.**

  
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