

BEFORE THE MISSOURI
STATE REAL ESTATE APPRAISERS COMMISSION

MISSOURI REAL ESTATE APPRAISERS))	
COMMISSION,)	
)	
Petitioner,)	
)	
v.)	No. 10-2012 RA
)	
PIUS OMEIFE,)	
)	
Respondent.)	

**FINDINGS OF FACT, CONCLUSIONS OF LAW
AND DISCIPLINARY ORDER**

I.

Statement of the Case

On or about February 25, 2013, the Administrative Hearing Commission entered its Decision in the case of *Missouri Real Estate Appraisers Commission v. Pius Omeife*, Case No. 10-2012 RA. The Administrative Hearing Commission certified the records of its proceedings and its Decision in *Missouri Real Estate Appraisers Commission v. Pius Omeife*, Case No. 10-2012 RA, to the Missouri Real Estate Appraiser Commission (the "MREAC") on approximately April 1, 2013. In its Decision, the Administrative Hearing Commission found that Respondent Omeife's certificate as a certified residential real estate appraiser was subject to disciplinary action by the MREAC pursuant to § 339.532.2(6), (7) and (10), RSMo.¹

The MREAC has received and reviewed the record of the proceedings before the Administrative Hearing Commission and the Decision. The Decision of the Administrative Hearing Commission is hereby adopted and incorporated herein by reference.

¹ All statutory references are to Missouri Revised Statutes 2000, as amended, unless otherwise indicated.

Pursuant to notice and §§ 621.110 and 339.532.3, RSMo, the MREAC held a hearing on June 19, 2013, at approximately 9:15 a.m. at the Missouri Council of School Administrators Building, 3530 Amazonas Drive, Jefferson City, Missouri, for the purpose of determining the appropriate disciplinary action against Respondent's license. The MREAC was represented by Assistant Attorney General Craig Jacobs. Respondent was present for the hearing but was not represented by counsel. After being present and considering all of the evidence presented during the hearing, the MREAC issues the following Findings of Facts, Conclusions of Law and Order.

II.

Findings of Fact

1. Respondent Pius Omeife holds a certification as a certified residential real estate appraiser from the MREAC (certificate no. 2005028377). Respondent Omeife's certificate was at all times herein, current and active.
2. The MREAC hereby adopts and incorporates herein the findings of fact contained in the Decision of the Administrative Hearing Commission in *Missouri Real Estate Appraisers Commission v. Pius Omeife*, Case No. 10-2012 RA.
3. In its February 25, 2013, Decision, the Administrative Hearing Commission found the MREAC has grounds to discipline Respondent's certificate pursuant to § 339.532.2(6), (7) and (10), RSMo.
4. The MREAC set this matter for disciplinary hearing and served notice of the disciplinary hearing upon Respondent in a proper and timely fashion.
5. Respondent testified at the hearing that he did the appraisals in question correctly based on his experience and training. He stated he has paid a high price in defending this case

including losing clients and an increase in insurance premiums. Finally, he asked the MREAC to “let him go” with no discipline.

III.

Conclusions of Law

6. The MREAC has jurisdiction over this proceeding pursuant to §§ 621.110 and 339.532.3, RSMo.

7. The MREAC expressly adopts and incorporates by reference the Conclusions of Law and the Decision of the Administrative Hearing Commission in *Missouri Real Estate Appraisers Commission v. Pius Omeife*, Case No. 10-2012 RA, finding cause to discipline Omeife’s certificate as a certified residential real estate appraiser pursuant to § 339.532.2(6), (7) and (10), RSMo.

8. As a result of the foregoing, and as identified in the Decision of the Administrative Hearing Commission, Respondent’s certificate as a certified residential real estate appraiser is subject to disciplinary action by the MREAC, pursuant to § 339.532.2(6), (7) and (10), RSMo.

9. The MREAC has determined that this Order is necessary to ensure the protection of the public.

IV.

Order

10. Having fully considered all the evidence before the MREAC, and giving full weight to the Decision of the Administrative Hearing Commission, it is the **ORDER** of the MREAC, that Respondent’s certificate as a certified residential real estate appraiser is hereby

placed on **PROBATION** for a term of one (1) year, subject to the following terms and conditions:

I. EDUCATIONAL REQUIREMENTS

- A. Omeife shall submit verification to the Commission of successful completion of a fifteen hour approved qualifying education course, including examination, on site valuation and cost approach course. The course shall be in addition to regular continuing education requirements for the renewal period.
- B. Omeife shall submit verification to the Commission of successful completion of a fifteen hour approved qualifying education course, including examination, on market data and analysis course. The course shall be in addition to regular continuing education requirements for the renewal period.

II. GENERAL REQUIREMENTS

- A. Omeife shall be entitled to engage in the practice of real estate appraising as a state licensed real estate appraiser pursuant to §§ 339.500 to 339.549, RSMo, provided Omeife adheres to all of the terms and conditions of this Order.
- B. During the probationary period, Omeife shall not supervise any real estate appraisal, as defined by § 339.503(1), RSMo, of property located in the state of Missouri nor act in any manner as an appraisal supervisor.
- C. During the probationary period, Omeife shall maintain a log of all appraisal assignments completed, including appraisal values. Omeife shall submit a true and accurate copy of his log to the MREAC every six (6) months after the effective date of this Order. Each log, except for the final log, shall be submitted within 15 days after the end of the respective six month period. Omeife shall submit the final log 30 days prior to the end of the probationary period. All logs shall comply with rule 20 CSR 2245-2.050.
- D. During the probationary period, Omeife shall submit samples of his appraisals as requested by the MREAC for review.
- E. During the probationary period, Omeife shall comply with all applicable provisions of Chapter 339, RSMo, all applicable MREAC regulations and all applicable federal and state laws. "State" includes the state of Missouri, all other states and territories of the United States, and the ordinances of their political subdivisions. Omeife shall be deemed in violation of this Order and the terms of his probation if he is adjudicated, found guilty of or pleads guilty or nolo contendere to, a criminal offense, whether or not sentence is imposed.
- F. Omeife shall meet in person with the MREAC or its representative at any such time and place as required by the MREAC or its designee upon notification from the MREAC or

its designee. Said meetings will be at the MREAC's discretion and may occur periodically during the probationary period.

- G. Omeife shall immediately submit documents showing compliance with the requirements of this Order to the MREAC when requested by the MREAC or its designee.
- H. If Omeife fails to comply with the terms of this order during the probationary period, in any respect, the MREAC may choose to conduct a hearing before it either during the probationary period, or as soon thereafter as a hearing can be held, to determine whether a violation occurred. In the event MREAC determines that Omeife has violated any term or condition of this Order, the MREAC may, in its discretion, vacate this Order and may impose additional discipline as deemed appropriate by the MREAC, including revocation of the license, pursuant to §§ 339.532.2 and 324.042, RSMo. The MREAC has continuing jurisdiction to hold a hearing to determine if a violation of this Order has occurred.
- I. Omeife shall keep the MREAC apprised of his current home and work addresses and telephone numbers. Omeife shall inform the MREAC in writing within ten (10) days of any change in this information.
- J. During the probationary period, Omeife shall timely renew his license, timely pay all fees required for licensure and comply with all other requirements necessary to maintain his license current and active.
- K. During the probationary period, Omeife shall accept and comply with unannounced visits from the MREAC's representatives to monitor compliance with the terms and conditions of this Order.
- L. This Order does not bind the MREAC or restrict the remedies available to the MREAC for any violation of §§ 339.500 to 339.549, RSMo, not specifically mentioned in this document.
- M. Upon the expiration of the probationary period, Omeife's license shall be fully restored if all other requirements of law have been satisfied provided, however, that in the event the MREAC determines that Omeife has violated any term or condition of this Order, the MREAC may, in its discretion, vacate and set aside the probation imposed herein and may impose any other lawful discipline the MREAC shall deem appropriate, including, revocation of said license. No order shall be entered by the MREAC pursuant to this paragraph without any required notice and opportunity for a hearing before the MREAC in accordance with Chapter 536, RSMo.
- N. If the MREAC determines that Omeife has violated a term or condition of this Order, which violation would also be actionable in a proceeding before the Administrative Hearing Commission or the circuit court, the MREAC may elect to pursue any lawful remedies or procedures afforded it and is not bound by this Order in its determination of appropriate legal actions concerning that violation.

- O. If, at any time during the probationary period, Omeife ceases to reside in the state of Missouri, or ceases to maintain his state real estate appraiser license current or active under the provisions of Chapter 339, RSMo, or fails to keep MREAC advised of his current places of residence and business, 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.
- P. Unless otherwise specified by the MREAC, all reports, documentation, evaluations, notices, or other materials required to be submitted to the MREAC shall be forwarded to: Missouri Real Estate Appraisers Commission, P.O. Box 1335, Jefferson City, Missouri 65102.
- Q. Any failure by Omeife to comply with any condition of discipline set forth herein constitutes a violation of this Order.

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

SO ORDERED, THIS 21st day of June, 2013.

**MISSOURI REAL ESTATE
APPRAISERS COMMISSION**



Vanessa Beauchamp,
Executive Director

Missouri Real Estate Appraisers Commission

BEFORE THE
ADMINISTRATIVE HEARING COMMISSION
STATE OF MISSOURI

FILED

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ADMINISTRATIVE HEARING
COMMISSION

MISSOURI REAL ESTATE)
APPRAISERS COMMISSION,)
3605 Missouri Boulevard)
P.O. Box 1335)
Jefferson City, MO 65102,)
)
Petitioner,)
)
v.)
)
PIUS OMEIFE)
1716 Battlefield Dr.)
Florissant, MO 63031)
Telephone No.: (314) 821-5536)
)
Respondent.)

Case No. 10-2012 RA

COMPLAINT

Petitioner, the Missouri Real Estate Appraisers Commission, by and through its counsel, the Attorney General of the State of Missouri, states as follows for its cause of action against Respondent, Pius Omeife:

ALLEGATIONS COMMON TO ALL COUNTS

1. The Missouri Real Estate Appraisers Commission ("MREAC") was established pursuant to § 339.507, RSMo¹, for the purpose of executing and enforcing the provisions of §§ 339.500 through 339.549, RSMo.

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

2. Respondent Pius Omeife (“Omeife”) is certified by the MREAC as a state-certified residential real estate appraiser, certificate no. 2005028377. Such certificate is and was at all times relevant to this action current and active.

3. Jurisdiction and venue are proper before the Administrative Hearing Commission pursuant to §§ 621.045 and 339.532.2, RSMo, Cum. Supp. 2009.

4. Section 339.532.2, RSMo, Cum. Supp. 2009, states in part:

The commission may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621, RSMo, against any state-certified real estate appraiser, state-licensed real estate appraiser, or any person who has failed to renew or has surrendered his or her certificate or license for any one or any combination of the following causes:

.....

(5) Incompetency, misconduct, gross negligence, dishonesty, fraud, or misrepresentation in the performance of the functions or duties of any profession licensed or regulated by sections 339.500 to 339.549;

(6) Violation of any of the standards for the development or communication of real estate appraisals as provided in or pursuant to sections 339.500 to 339.549;

(7) Failure to comply with the Uniform Standards of Professional Appraisal Practice 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[.]

5. 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.

Count I
Market Appraisal Report

6. MREAC adopts and incorporates paragraphs 1 through 5 above as though alleged fully herein.

7. On or about November 30, 2006, Omeife completed and signed a summary appraisal report for residential real estate located at 4568 N. Market St., St. Louis, MO 63113 (“the Market property”). The effective date of the appraisal report was November 20, 2006. This appraisal valued the property at \$94,000. This appraisal shall be referred to hereinafter as the “Market Appraisal Report.”

8. Omeife was required to develop and report the results of the Market Appraisal in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), 2006 Edition.

9. The Market Appraisal Report was prepared for Global Mortgage, a Missouri mortgage company.

10. In preparation of the Market Appraisal Report, Omeife made significant and/or substantial errors of omission and/or commission, including, but not limited to:

- a. Omeife failed to clearly and accurately describe the subject's neighborhood, failing to include neighborhood boundaries, trends, present land use, age and value of the properties;
- b. Omeife failed to identify relevant property characteristics such as the location of public transportation, highway access and elementary schools;
- c. Omeife failed to accurately report the range of value and the predominate value of the neighborhood;
- d. Omeife failed to mention and analyze the new dwellings within the market area and their affect on value;
- e. Omeife failed to analyze or support the 24 year effective age of the dwelling when the dwelling is 106 years old and in average condition;
- f. Omeife failed to mention and analyze the fact that the dwelling was originally constructed as a two unit building; and
- g. Omeife accepted an assignment with a predetermined value as noted in the workfile. Client indicated a "sales price" of \$76,000 for a refinance.

11. In the preparation of the Sales Comparison Analysis in the Market Appraisal Report, Omeife made significant and/or substantial errors of omission and/or commission, including, but not limited to:

- a. Omeife failed to use comparable sales in closer proximity to the subject property and that were of more similar age and style;
- b. Omeife improperly used Comparable Sale 1 which had not been sold but only listed twice, both of which had expired;
- c. Omeife improperly used Comparable Sale 2 which was a long distance from the subject property and had a different style;
- d. Omeife failed to provide market support for Comparable Sale 3's gross living area adjustment;
- e. Omeife improperly used Comparable Sale 4 which was outside the market area, much larger and has superior updating;
- f. Omeife improperly found that the comparable listings ranged from \$73,900 to \$214,000 which is too broad for purposes of analysis; and
- g. Omeife improperly found that the comparable sales ranged from \$87,900 to \$139,000 which is too broad for purposes of analysis;

12. In the preparation of the Cost Approach in the Market Appraisal Report, Omeife made significant and/or substantial errors of omission and/or commission,

including, but not limited to, failing to provide market support for the site-to-value ratio of 6.3% used to determine site value.

13. The Market 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.

14. USPAP Standard 1, regarding the development of an appraisal, states:

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.

15. USPAP Standard 2, regarding the reporting of an appraisal, states:

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.

16. Omeife's errors and/or omissions in the preparation of the Sales Comparison Analysis, the Cost Approach, and/or the Income Approach, as alleged in this Count, constitute violations of USPAP Standard 1 and Standards Rule ("SR") 1-4(a) and (b)(i) and (iii), 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 necessary for credible assignments results, an appraiser must analyze such comparable sales data as are available to indicate a value conclusion.

(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; 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).

17. Based on Omeife's errors and/or omissions in developing and reporting the results of the Market Appraisal, as alleged in this Count, Omeife failed to correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal in violation of USPAP Standard 1 and 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[.]

18. Based on Omeife's errors and/or omissions in developing and reporting the results of the Market Appraisal, as alleged in this Count, Omeife 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[.]

19. Based on Omeife's errors and/or omissions in developing and reporting the results of the Market Appraisal, as alleged in this Count, Omeife 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 results of an appraisal, in the aggregate affects the credibility of those results.

20. Based on Omeife's errors and/or omissions in developing and reporting the results of the Market Appraisal, as alleged in this Count, Omeife committed substantial errors of omission and/or commission that significantly affected the appraisal in violation of USPAP Standard 1 and 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[.]

21. Based on Omeife's errors and/or omissions in developing and reporting the results of the Market Appraisal, as alleged in this Count, Omeife failed to clearly and accurately set forth the appraisal in a manner that would not be misleading and violated USPAP Standard 1 and 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[.]

22. Based on Omeife's errors and/or omissions in developing and reporting the results of the Market Appraisal, as alleged in this Count, Omeife communicated results in a misleading and/or fraudulent manner, in violation of the Conduct provision of the USPAP Ethics Rule, which states in part:

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 engage in criminal conduct. An appraiser must perform assignments with impartiality, objectivity, and independence, and without accommodation of personal interests.

In appraisal practice, an appraiser must not perform as an advocate for any party or issue.

An appraiser must not accept an assignment that includes the reporting of predetermined opinion and conclusions.

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.

23. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(5), RSMo.

24. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(6), RSMo.

25. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(8), RSMo.

26. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(9), RSMo.

27. Each of Omeife's USPAP violations, as alleged in this Count, constitutes a violation of § 339.535, RSMo, providing cause to discipline his real estate appraiser certificate pursuant to § 339.532.2(7) and (10), RSMo.

28. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(14), RSMo.

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

Count II
Veronica Appraisal Report

30. MREAC adopts and incorporates paragraphs 1 through 29 above as though alleged fully herein.

31. On or about December 11, 2006, Omeife completed and signed a summary appraisal report for residential real estate located at 1013 Veronica Ave., St. Louis, MO 63147 ("the Veronica property"). The effective date of the appraisal report was

December 9, 2006. This appraisal valued the property at \$95,000. This appraisal shall be referred to hereinafter as the "Veronica Appraisal Report."

32. The Veronica Appraisal Report was prepared for Global Mortgage, Inc., a Missouri mortgage company.

33. In preparation of the Veronica Appraisal Report, Omeife made significant and/or substantial errors of omission and/or commission, including, but not limited to:

- a. Omeife failed to clearly and accurately describe the subject's neighborhoods, instead broadly describing the neighborhood including both the city and county of St. Louis which includes several neighborhoods and market areas;
- b. Omeife failed to make mention of the factors in the neighborhood which affect value, such as the location close to public transportation, highway access and elementary school;
- c. Omeife failed to accurately report the range of value or the predominate value of the neighborhood;
- d. Omeife indicated the basement area is 1,350 square feet when the drawing supports and the appraisal indicates a Gross Living Area of only 1,185 square feet; and
- e. Omeife accepted an assignment with a predetermined value as noted in the workfile. Client indicated a "anticipated value" of \$87,000.

34. In the preparation of the Sales Comparison Analysis in the Veronica Appraisal Report, Omeife made significant and/or substantial errors of omission and/or commission, including, but not limited to:

- a. Omeife failed to use proper comparables in his sales comparison approach that were closer in proximity to the subject, of a similar age to the subject and which occurred within one year of the effective date of value;
- b. Omeife failed to make an appropriate adjustment for Comparable Sale 1 due to the age discrepancy;
- c. Omeife failed to make an appropriate adjustment for Comparable Sale 1 due to the superior upgrading;
- d. Omeife failed to make an appropriate adjustment for Comparable Sale 2 due to the age discrepancy and size;
- e. Omeife failed to make an appropriate adjustment for Comparable Sale 3 due to age discrepancy, the superior design and newer subdivision;
- f. Omeife failed to explain and analyze Comparable Sale 3's deck, which was described in the MLS listing; and
- g. Omeife failed to make an appropriate adjustment for Comparable Sale 4 due to the age discrepancy and size.

35. In the preparation of the Cost Approach in the Veronica Appraisal Report, Omeife made significant and/or substantial errors of omission and/or commission,

including, but not limited to, failing to provide market support for the site-to-value ratio of 10% used to determine site value.

36. The Veronica 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, as stated above.

37. Omeife's errors and/or omissions in the preparation of the Sales Comparison Analysis as alleged in this Count, constitute violations of USPAP Standard 1 and Standards Rule ("SR") 1-4(a), as stated above.

38. Based on Omeife's errors and/or omissions in developing and reporting the results of the Veronica Appraisal, as alleged in this Count, Omeife failed to correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal in violation of USPAP Standard 1 and SR 1-1(a), as stated above.

39. Based on Omeife's errors and/or omissions in developing and reporting the results of the Veronica Appraisal, as alleged in this Count, Omeife committed substantial errors of omission and/or commission that significantly affected the appraisal in violation of USPAP Standard 1 and SR 1-1(b), as stated above.

40. Based on Omeife's errors and/or omissions in developing and reporting the results of the Veronica Appraisal, as alleged in this Count, Omeife rendered appraisal services in a careless and/or negligent manner in violation of USPAP Standard 1 and SR 1-1(c), as stated above.

41. Based on Omeife's errors and/or omissions in developing and reporting the results of the Veronica Appraisal, as alleged in this Count, Omeife committed substantial errors of omission and/or commission that significantly affected the appraisal in violation of USPAP Standard 1 and SR 1-2(e)(i), as stated above.

42. Based on Omeife's errors and/or omissions in developing and reporting the results of the Veronica Appraisal, as alleged in this Count, Omeife failed to clearly and accurately set forth the appraisal in a manner that would not be misleading and violated USPAP Standard 1 and SR 1-3(a), as stated above.

43. Based on Omeife's errors and/or omissions in developing and reporting the results of the Veronica Appraisal, as alleged in this Count, Omeife communicated results in a misleading and/or fraudulent manner, in violation of the Conduct provision of the USPAP Ethics Rule, as stated above.

44. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(5), RSMo.

45. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(6), RSMo.

46. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(8), RSMo.

47. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(9), RSMo.

48. Each of Omeife's USPAP violations, as alleged in this Count, constitutes a violation of § 339.535, RSMo, providing cause to discipline his real estate appraiser certificate pursuant to § 339.532.2(7) and (10), RSMo.

49. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(14), RSMo.

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

Count III
19th Street Appraisal Report

51. MREAC adopts and incorporates paragraphs 1 through 49 above as though alleged fully herein.

52. On or about February 9, 2007, Omeife completed and signed a summary appraisal report for residential real estate located at 3921 N 19th St. (“the 19th Street property”). The effective date of the appraisal report was February 6, 2007. This appraisal valued the property at \$150,000. This appraisal shall be referred to hereinafter as the “19th Street Appraisal Report.”

53. The 19th Street Appraisal Report was prepared for Global Mortgage, Inc., a Missouri mortgage company.

54. In preparation of the 19th Street Appraisal Report, Omeife made significant and/or substantial errors of omission and/or commission, including, but not limited to:

- a. Omeife failed to clearly and accurately describe the subject’s neighborhood, instead describing the neighborhood including both the city and county of St. Louis, which includes several neighborhoods and market areas;
- b. Omeife failed to mention factors in the neighborhood which affect value, such as the location close to public transportation, highway access and elementary school;

- c. Omeife failed to accurately report the range of value and the predominate value of the neighborhood;
- d. Omeife failed to address new dwellings being constructed in the market area;
- e. Omeife failed to include the conditions of sale in the contract section; and
- f. Omeife failed to discuss the market reaction to a dwelling with a room count of 9 rooms, 5 bedrooms and 1.5 baths.

55. In the preparation of the Sales Comparison Analysis in the 19th Street Appraisal Report, Omeife made significant and/or substantial errors of omission and/or commission, including, but not limited to:

- a. Omeife failed to make an appropriate adjustment for Comparable Sale 1's upgraded and rehabilitated replacement kitchen, floor covering, light fixtures and a security system;
- b. Omeife failed to analyze and explain the condition of Comparable Sale 1 as being excellent and failed to support the minimal \$5,000 downward adjustment;
- c. Omeife improperly used Comparable Sale 2 which is a superior quality dwelling;
- d. Omeife failed to make an adjustment for Comparable Sale 2's fifty percent larger lot size;

- e. Omeife failed to use market support for the minimal adjustment for bathroom differences;
- f. Omeife improperly used Comparable Sale 3 which is almost one mile away and outside the market area;
- g. Omeife failed to analyze and explain why Comparable Sale 3 was listed as in the same condition when the MLS listing indicates it was renovated and updated;
- h. Omeife improperly found that the comparable listings ranged from \$7,900 to \$450,000 which is too broad purposes of analysis; and
- i. Omeife improperly found that the comparable sales ranged from \$2,000 to \$190,000 which is too broad for purposes of analysis; and
- j. Omeife failed to use comparable sales in closer proximity to the subject property and that were of more similar age and style;

56. In the preparation of the Cost Approach in the 19th Street Appraisal Report, Omeife made significant and/or substantial errors of omission and/or commission, including, but not limited to, failing to provide market support for the site-to-value ratio of 2.55% used to determine site value.

57. The 19th 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, as stated above.

58. Omeife's errors and/or omissions in the preparation of the Sales Comparison Analysis, the Cost Approach, and/or the Income Approach, as alleged in this Count, constitute violations of USPAP Standard 1 and Standards Rule ("SR") 1-4(a) and (b)(iii), as stated above.

59. Based on Omeife's errors and/or omissions in preparing the 19th Street Appraisal Report, as alleged in this Count, Omeife failed to correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal in violation of USPAP Standard 1 and SR 1-1(a), as stated above.

60. Based on Omeife's errors and/or omissions in developing and reporting the results of the 19th Street Appraisal Report, as alleged in this Count, Omeife committed substantial errors of omission and/or commission that significantly affected the appraisal in violation of USPAP Standard 1 and SR 1-1(b), as stated above.

61. Based on Omeife's errors and/or omissions in preparing the 19th Street Appraisal Report, as alleged in this Count, Omeife rendered appraisal services in a careless and/or negligent manner in violation of USPAP Standard 1 and SR 1-1(c), as stated above.

62. Based on Omeife's errors and/or omissions in developing and reporting the results of the 19th Street Appraisal, as alleged in this Count, Omeife committed substantial errors of omission and/or commission that significantly affected the appraisal in violation of USPAP Standard 1 and SR 1-2(c)(i), (ii),(iii) and (iv), which state:

In developing a real property appraisal, an appraiser must:

(c) identify the type and definition of value, and if the value opinion to be developed is market value, ascertain whether the value is to be the most probable price:

- (i) in terms of case; or
- (ii) in terms of financial arrangements equivalent to case; or
- (iii) in other precisely defined terms; and
- (iv) if the opinion of value is to be based on non-market financing or financing with unusual conditions or incentives, the terms of such financing must be clearly identified and the appraiser's opinion of their contributions to or negative influence on value must be developed by analysis of relevant market data[.]

63. Based on Omeife's errors and/or omissions in developing and reporting the results of the 19th, as alleged in this Count, Omeife committed substantial errors of omission and/or commission that significantly affected the appraisal in violation of USPAP Standard 1 and SR 1-2(e)(i), as stated above.

64. Based on Omeife's errors and/or omissions in developing and reporting the results of the 19th Appraisal, as alleged in this Count, Omeife failed to clearly and accurately set forth the appraisal in a manner that would not be misleading and violated USPAP Standard 1 and SR 1-3(a), as stated above.

65. Based on Omeife's errors and/or omissions in preparing the 19th Street Appraisal Report, as alleged in this Count, Omeife communicated results in a misleading

and/or fraudulent manner, in violation of the Conduct provision of the USPAP Ethics Rule, as stated above.

66. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(5), RSMo.

67. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(6), RSMo.

68. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(8), RSMo.

69. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(9), RSMo.

70. Each of Omeife's USPAP violations, as alleged in this Count, constitutes a violation of § 339.535, RSMo, providing cause to discipline his real estate appraiser certificate pursuant to § 339.532.2(7) and (10), RSMo.

71. Omeife's conduct, as alleged in this Count, 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 certificate pursuant to § 339.532.2(14), RSMo.

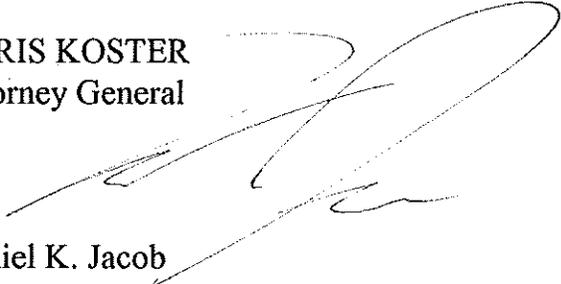
72. Omeife's conduct, as alleged in this Count, demonstrates that Omeife rendered appraisal services in violation of the USPAP Ethics Rule, USPAP Standards 1 and 2, the USPAP Standards Rules cited in this Count, and § 339.535, RSMo, providing cause to discipline Omeife's certificate as a state-certified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

CONCLUSION

WHEREFORE, MREAC respectfully prays this Commission conduct a hearing in this cause pursuant to Chapter 621, RSMo, and thereafter issue its Findings of Fact and Conclusions of Law that Omeife's real estate appraiser's certificate is subject to disciplinary action by MREAC for violations of §§ 339.500 through 399.549, RSMo, as amended, and MREAC's regulations promulgated thereunder, and for such other relief as the Commission deems appropriate, and for such other and further relief as this Commission deems appropriate.

Respectfully submitted,

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