

SETTLEMENT AGREEMENT BETWEEN MISSOURI REAL ESTATE APPRAISERS
COMMISSION AND STEVEN J. POPP

Steven J. Popp (“Popp”) and the Missouri Real Estate Appraisers Commission (“MREAC”) enter into this Settlement Agreement for the purpose of resolving the question of whether Popp’s license as a real estate appraiser, License No. RA002474, will be subject to discipline. Pursuant to § 536.060, RSMo 2000,¹ 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 Popp 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.

Popp 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 of law by the Administrative Hearing Commission; the right

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

to a disciplinary hearing before the MREAC at which time Popp may present evidence in mitigation of discipline; the right to seek recovery of 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, Popp 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.

Popp 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. Popp stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREAC that Popp's license as a real estate appraiser, License No. RA002474, is subject to disciplinary action by the MREAC in accordance with the relevant provisions of Chapters 339.500 through 339.549 and 621, RSMo, as amended.

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

I.
Joint Stipulation of Facts

Based upon the foregoing, the MREAC and Popp herein jointly stipulate:

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

2. Respondent Steven J. Popp (“Popp”) is certified by the Commission as a state-certified real estate appraiser, license no. RA002474. Such certification is and was at all times relevant to this action current and active.

3. On or about March 23, 2006, Popp completed and signed a uniform commercial/industrial summary appraisal report for Commercial real estate located at 4618 Highway 72 West, Jackson, Mo (“the 4618 Highway 72 West property”). The effective date of the appraisal report was March 23, 2006. This appraisal valued the property at \$525,000. This appraisal shall be referred to hereinafter as the “4618 Highway 72 West Appraisal Report.”

4. Popp was required to develop and report the results of the 4618 Highway 72 West Appraisal in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), 2005 Edition.

5. The 4618 Highway 72 West Appraisal Report was prepared for Wood & Huston Bank, a Missouri Corporation.

6. Popp failed to adequately, completely and appropriately appraise the 4618 Highway 72 West property and violated the following USPAP rules: 1-1(a), (b), and (c), 1-2(h), 1-4(a), (b), (c), 1-5 (a), 2-1(a), (b), and (c), and 2-2(b)(ix).

7. In preparation of the 4618 Highway 72 West, Popp made errors of omission

and/or commission, including, but not limited to:

- a. Overstated the value of the 4618 Highway 72 West property as collateral for a real estate loan.

8. In the preparation of the Sales Comparison Analysis in the 4618 Highway 72 West Appraisal Report, Popp made errors of omission and/or commission, including, but not limited to:

- a. The properties used as comparisons were too different in size and use to be reasonable.

9. In the preparation of the cost Approach in the 4618 Highway 72 West Appraisal Report, Popp made errors of omission and/or commission, including, but not limited to:

- a. The properties used as comparisons were too different in cost to be reasonable.
- b. Did not include an adjustment grid to show how he got to his value conclusion.

10. In the preparation of the Income Approach in the 4618 Highway 72 West Appraisal Report, Popp made errors of omission and/or commission, including, but not limited to:

- a. Improperly states that the Income Approach is not appropriate.

11. The 4618 Highway 72 West Appraisal Report overestimates the value, is not credible, and is misleading.

Conclusions of Law

12. Section 339.532.2, RSMo, 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:

(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 [“USPAP”] 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 communication 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;

13. 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.

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 Commission in this matter under the authority of § 536.060, RSMo, and §§ 621.045.3 and 621.110, RSMo, as amended.

1. **Popp's certification is subject to a period of probation.** Popp's certification as a state-certified real estate appraiser is hereby placed on PROBATION for a period of ONE YEAR. The one year period of probation shall constitute the "disciplinary period." During the disciplinary period, Popp shall be entitled to practice as a state-certified real estate appraiser under Chapter 339, RSMo, provided Popp adheres to all the terms of this Settlement Agreement.

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

A. Within six months after the effective date of this Settlement Agreement, Popp shall submit verification to the MREAC of successful completion of a 15-hour course in market analysis. Popp may not apply the education required by this Settlement Agreement to satisfy the continuing education hours required for his certification renewal.

B. Popp shall submit written reports to the MREAC by no later than December 1 and June 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

December 1, 2010. 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. Popp is responsible for assuring that the reports are submitted to and received by the MREAC.

C. During the disciplinary period, Popp 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 December 1 and June 1 during each year of the disciplinary period. The first log shall be submitted on or before December 1, 2010. 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. Popp is responsible for assuring that the logs are submitted to and received by the MREAC. Upon MREAC request, Popp shall submit copies of his work samples for MREAC review.

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

E. During the disciplinary period, Popp 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, Popp 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.

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

G. Popp 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.

H. During the disciplinary period, Popp 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 Popp's certification as a real estate appraiser under § 339.532.2, RSMo, as amended, that accrues during the disciplinary period shall also constitute a violation of this Settlement Agreement.

I. Popp 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.

J. Popp shall appear before the MREAC or its representative for a

personal interview upon the MREAC's written request.

K. If, at any time within the disciplinary period, Popp 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.

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

4. 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.

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

6. 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.

7. If any alleged violation of this Settlement Agreement occurred during the disciplinary period, the parties agree that the MREAC may choose to conduct a hearing before it either during the disciplinary period, or as soon thereafter as a hearing can be held, to determine whether a violation occurred and, if so, may impose further disciplinary action. Popp agrees and stipulates that the MREAC has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred.

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

9. 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.

10. 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.

11. Popp, 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.

12. This Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREAC. Upon full execution and finalization of this Settlement Agreement between the parties, including proper signatures from each party, the MREAC agrees to dismiss, with prejudice, its case against Popp currently pending before the Administrative Hearing Commission.

LICENSEE

MISSOURI REAL ESTATE APPRAISERS
COMMISSION

Steven J. Popp
Steven J. Popp

Vanessa Beauchamp
Vanessa Beauchamp
Executive Director

Date 9-3-2010

Date 9-24-10

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