

**BEFORE THE MISSOURI
REAL ESTATE APPRAISERS COMMISSION**

In the Matter of the Application of)
)
TYSEN WILLIAMS,)
)
Applicant.)

**ORDER OF THE MISSOURI REAL ESTATE APPRAISERS COMMISSION ISSUING
A PROBATIONARY RESIDENTIAL APPRAISER CERTIFICATION TO
TYSEN WILLIAMS**

The Missouri Real Estate Appraisers Commission (the “Commission”) hereby issues its **ORDER** granting a **PROBATIONARY RESIDENTIAL APPRAISER CERTIFICATION**, Certificate No. 2009024757, to Tysen Williams (hereafter “Williams”), pursuant to the provisions of § 324.038, RSMo. As set forth in § 324.038.2, RSMo, Williams may submit a written request to the Administrative Hearing Commission seeking a hearing and review of the Commission’s decision to issue a probated residential appraiser certification. Such written request must be filed with the Administrative Hearing Commission within 30 days of delivery or mailing of this Order of the Commission. The written request should be addressed to the Administrative Hearing Commission, P.O. Box 1557, Truman State Office Building, Room 640, Jefferson City, MO 65102-1557. If no written request for review is filed with the Administrative Hearing Commission within the 30-day period, the right to seek review of the Commission’s decision shall be considered waived. Should Williams file a written request for review of this Order, the terms and conditions of this Order shall remain in force and effect unless or until such time as the Administrative Hearing Commission issues an Order to the contrary.

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 Cum. Supp. 2008, 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 (as amended).

2. Tysen Williams currently resides at 5504 Gemstone Drive, Columbia, Missouri 65202.

3. Williams is a male born February 8, 1978.

4. Williams is a Missouri licensed appraiser, license number 2005003931.

5. On or about October 20, 2006, the Commission received a complaint from Ann C. Nunn (Nunn) regarding an appraisal Williams performed at 644 Highway U, Linn, Missouri (hereinafter referred to as Appraisal A).

6. Upon request, Nunn prepared a field review on Williams' Appraisal A. Nunn identified numerous violations of the Uniform Standards of Professional Appraisal Practice (USPAP). Specifically, Nunn determined that Williams failed to:

- a. Correctly employ recognized methods for a credible appraisal in violation of Standard 1-1;
- b. Identify the client and other intended users in violation of Standard 1-2;
- c. Choose appropriate comparable and utilize correct application/analysis of the Cost Approach in violation of Standard 1-4;

- d. Produce a clear and accurate report that was not misleading in violation of Standard 2-1(a);
- e. Prepare a stand alone report understandable to the reader in violation of Standard 2-1(b);
- f. Perform assignments ethically and competently with impartiality, objectivity and independence and without accommodation of personal interest or predetermined opinions and conclusions in violation of the Ethics Rule; and
- g. Have the knowledge and experience to complete the assignment competently and take all steps necessary or appropriate to complete the assignment competently in violation of the Competency Rule.

7. On or about November 20, 2006, the Commission received a complaint from Ann C. Nunn (Nunn) regarding an appraisal Williams performed at 14009 Route V, Russellville, Missouri (hereinafter referred to as Appraisal B).

8. Upon request, Nunn prepared a field review on Williams' Appraisal B. Nunn identified numerous violations of the Uniform Standards of Professional Appraisal Practice (USPAP). Specifically, Nunn determined that Williams failed to:

- a. Correctly employ recognized methods for a credible appraisal in violation of Standard 1-1;
- b. Identify the client and other intended users in violation of Standard 1-2;
- c. Choose appropriate comparable and utilize correct application/analysis of the Cost Approach in violation of Standard 1-4;
- d. Produce a clear and accurate report that was not misleading in violation of Standard 2-1(a);

- e. Prepare a stand alone report understandable to the reader in violation of Standard 2-1(b);
- f. Perform assignments ethically and competently with impartiality, objectivity and independence and without accommodation of personal interest or predetermined opinions and conclusions in violation of the Ethics Rule; and
- g. Have the knowledge and experience to complete the assignment competently and take all steps necessary or appropriate to complete the assignment competently in violation of the Competency Rule.

9. On or about December 4, 2006, Williams provided his response, copies of the appraisal reports and requests and his work files for the Nunn complaints regarding Appraisals A and B.

10. Williams provided a brief narrative regarding Appraisals A and B and contested Nunn's USPAP violations in Appraisals A and B.

11. On or about December 14, 2006, the Commission received a complaint from David R. Doering (Doering) regarding an appraisal Williams performed at 10791 Phoenix Drive, Tebbetts, Missouri (hereinafter referred to as Appraisal C).

12. Upon request, Doering prepared a field review on Williams' Appraisal C. Doering identified numerous violations of the Uniform Standards of Professional Appraisal Practice (USPAP). Specifically, Doering determined that Williams failed to:

- a. Committed errors of "omission, commission and misstatement of material facts" in completing Appraisal C resulting in an unsupported opinion of value that significantly affects the results of the appraisal in violation of Standard 1-1;

- b. Failed to adequately analyze the agreements of sale and the impact of the reported seller financing 10% of the alleged sales price and failed to report the current listing and relevant listing history of the subject despite the information being reliably being available in the ordinary course of business in violation of Standard 1-5;
 - c. Made factual misstatements, errors and omission and failed to clearly and accurately set for the relevant information necessary to arrive at a reasonably supported opinion of value resulting in a misleading appraisal report in violation of Standard 2-1(a);
 - d. Made omissions or misstatements of relevant information available in the regular course of business and in the course of exercising due diligence resulting in an appraisal that fails to enable the intended user of the appraisal to properly understand it in violation of Standard 2-1(b);
 - e. “Failed to properly disclose the property ownership, listing history and relationship of the parties as well as his resulting failure to analyze and consider the impact and implications of this information” resulting in a misleading and/or fraudulent appraisal in violation of the Ethics Rule; and
13. On or about January 15, 2007, Williams provided a response, copies of the appraisal reports and requests and his work files for the Doering complaints\ regarding Appraisal C.
14. Williams provided a brief narrative regarding Appraisal C and contested Doering’s USPAP violations in Appraisal C.
15. On or about March 14, 2007, the Commission reviewed Appraisals A and B.

16. According to the Commission's review, Appraisal A and Appraisal B did not comply with several provisions of the Uniform Standards of Professional Appraisal Practice (USPAP):

- a. Appraisal A was non-compliant with USPAP because:
 - i. It failed to comply with USPAP Standards Rule 1-1(a) in that it contained unsupported market adjustments, poor comparables, an unsupported Cost Approach, unsupported land values and locational incompetency;
 - ii. It failed to comply with USPAP Standards Rule 1-1(b) because it left out Cost Approach information on the URAR, resulting in misleading report results;
 - iii. It failed to comply with USPAP Standards Rule 1-1(c) because it contained errors including location/neighborhood description, site dimensions, number of comparable sales, unsupported market adjustments, no data source/inadequate effective date of data source for subject/sales history, inadequate explanation and support of Cost Approach, incorrect calculation of physical depreciation in Cost Approach;
 - iv. It failed to comply with USPAP Standards Rule 1-2(e)(1) because the Williams did not list the condition of the exterior description, the appraisal's locational competency was inadequate, neighborhood items were not supported, site dimensions were inadequate, and zoning compliance was incorrect;

- v. It failed to comply with USPAP Standards Rule 1-3(a) because the increasing market for the area was an unsupported assumption and zoning compliance was incorrect;
- vi. It failed to comply with USPAP Standards Rule 1-4(a) because Williams did not adequately consider locational factors in the selection of comparables and the market grid adjustments were unsupported;
- vii. It failed to comply with USPAP Standards Rule 1-4(b) because there was no support for the land value, no evidence that supported adequate cost data analysis and the age/life method of depreciation was given but not followed correctly;
- viii. It failed to comply with USPAP Standards Rule 1-5(b) because the analysis was inadequate and did not state the source or effective date of the sources used;
- ix. It failed to comply with Rule 1-6(a) because the canned comments gave definitions of value approaches but no analysis of the reconciliation that took place on the subject property regarding the data available in the data approaches. Further, regarding the Market Approach, Williams stated in Appraisal A: “The adjustments resulting from these comparisons were based on the appraisers judgment[.]” All adjustments should be based on market data. Additionally, the canned statements in the addendum make it unclear whether Williams considered the Cost Approach and Appraisal A contained no definition of “newly constructed” and the subject was 5 years old;

- x. It failed to comply with USPAP Standards Rule 2-1(a) and 2-1(b) because it contained unsupported location and neighborhood descriptions, unsupported market and cost approach, missing or incorrect data on the URAR form, and inadequate reasoning and analysis to support the appraiser's value estimate;
- xi. It failed to comply with USPAP Ethics Rule regarding conduct and management because Appraisal A appeared to attempt to meet a suggested value estimate on the appraisal order form and, combined with locational and practical incompetency, the subject property was substantially overvalued;
- xii. It failed to comply with USPAP Competency Rule because Williams was not locationally competent to complete the report on the subject property nor was Williams competent to complete the approaches to value or support an opinion of value including analysis and reasoning; and
- xiii. It failed to comply with USPAP Requirements generally in that the location description was inadequate and unsupported, the neighborhood was inadequate and unsupported; the site dimensions were not provided; listed the property having a 3 car attached garage in the market grid when the property had a 2 car attached garage with one basement garage. Additionally, the reasoning and analysis of data was inadequate, Williams' conclusions were unsupported and the canned statements were vague and potentially misleading.

b. Appraisal B was non-compliant with USPAP because:

- i. It failed to comply with USPAP Standards Rule 1-1(a) in that it contained unsupported market adjustments, poor comparables, an unsupported Cost Approach, unsupported land values and locational incompetency;
- ii. It failed to comply with USPAP Standards Rule 1-1(b) because it left out Cost Approach information on the URAR, resulting in misleading report results;
- iii. It failed to comply with USPAP Standards Rule 1-1(c) because it contained errors including location/neighborhood description, site dimensions, number of comparable sales, unsupported market adjustments, no data source/inadequate effective date of data source for subject/sales history, inadequate explanation and support of Cost Approach, incorrect calculation of physical depreciation in Cost Approach and had incorrect data or information regarding comparable sales;
- iv. It failed to comply with USPAP Standards Rule 1-2(e)(1) because the Williams did not list the condition of the exterior description, the appraisal's locational competency was inadequate, neighborhood items were not supported, site dimensions were inadequate, and zoning compliance was incorrect;
- v. It failed to comply with USPAP Standards Rule 1-3(a) because the increasing market for the area was an unsupported assumption;
- vi. It failed to comply with USPAP Standards Rule 1-4(a) because Williams did not adequately consider locational factors in the selection of comparables and the market grid adjustments were unsupported;

- vii. It failed to comply with USPAP Standards Rule 1-4(b) because there was no support for the land value, no evidence that supported adequate cost data analysis and the age/life method of depreciation was given but not followed correctly;
- viii. It failed to comply with USPAP Standards Rule 1-5(b) because the analysis was inadequate and did not state the source or effective date of the sources used;
- ix. It failed to comply with Rule 1-6(a) because the canned comments gave definitions of value approaches but no analysis of the reconciliation that took place on the subject property regarding the data available in the data approaches. Further, regarding the Market Approach. Williams stated in Appraisal A: “The adjustments resulting from these comparisons were based on the appraisers judgment[.]” All adjustments should be based on market data.
- x. It failed to comply with USPAP Standards Rule 2-1(a) and 2-1(b) because it contained unsupported location and neighborhood descriptions, unsupported market and cost approach, missing or incorrect data on the URAR form, and inadequate reasoning and analysis to support the appraiser’s value estimate;
- xi. It failed to comply with USPAP Ethics Rule regarding conduct and management because Appraisal A appeared to attempt to meet a suggested value estimate on the appraisal order form and, combined with locational

and practical incompetency, the subject property was substantially overvalued;

xii. It failed to comply with USPAP Competency Rule because Williams was not locationally competent to complete the report on the subject property nor was Williams competent to complete the approaches to value or support an opinion of value including analysis and reasoning; and

xiii. It failed to comply with USPAP Requirements generally in that the location description was inadequate and unsupported, the neighborhood was inadequate and unsupported; the site dimensions were not provided; listed the property having a 3 car attached garage in the market grid when the property had a 2 car attached garage with one basement garage. Additionally, the reasoning and analysis of data was inadequate, Williams' conclusions were unsupported and the canned statements were vague and potentially misleading.

17. On or about March 14, 2007, the Commission reviewed Appraisal C.

18. According to the Commission's review, Appraisal C 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) in that it contained unsupported market adjustments, poor comparables, an unsupported Cost Approach, unsupported land values and locational incompetency, inadequate analysis of the sales contract and listing of subject property;

- b. It failed to comply with USPAP Standards Rule 1-1(b) because by leaving out the listing information on the subject property and the lack of adequate analysis of the subject's sale contract, the report's results are misleading;
- c. It failed to comply with USPAP Standards Rule 1-1(c) because it contained errors including location/neighborhood description, site dimensions, number of comparable sales, unsupported market adjustments, no data source/inadequate effective date of data source for subject/sales history, inadequate explanation and support of Cost Approach and location of comparables on map;
- d. It failed to comply with USPAP Standards Rule 1-2(e) because the locational competency was inadequate, neighborhood items were not supported and site dimensions were inadequate;
- e. It failed to comply with USPAP Standards Rule 1-3 because the increasing market for the area assumption was unsupported;
- f. It failed to comply with USPAP Standards Rule 1-4(a) because Williams did not adequately consider the locational factors in the selection of comparables and the market grid adjustments are unsupported;
- g. It failed to comply with USPAP Standards Rule 1-4(b) because there was no support for the land value, there was no evidence to support adequate cost data analysis and the subject was a new home;
- h. It failed to comply with USPAP Standards Rule 1-5(a) because Williams identified the items in the contract, but there appears to be a serious and gross oversight of the relationship of the buyer and seller, the potential motives of such

a sale, and no analysis of the effect of the second note carried by the seller as part of the transaction. Additionally, Appraisal C failed to comply because of Williams' oversight of excluding the listing information of the subject property which is substantial information regarding the subject when it has been listed for a long period of time below the appraised value and still not marketable at the listing price.

i. It failed to comply with USPAP Standards Rule 1-6(a) because Williams' canned comments give definitions of the value approaches, however there is no analysis of what reconciliation took place on the subject property regarding the data available in the value approaches;

j. It failed to comply with USPAP Standards Rule 1-6(b) because Williams' canned statements in the appraiser's addendum make it unclear of whether the Cost Approach was considered or not, the subject being a newly constructed property.

k. It failed to comply with USPAP Standards Rule 2-1(a) and 2-1(b) because Appraisal omitted listing data, had inadequate analysis of contract, had unsupported market and cost approach, missing/incorrect data on URAR form and inadequate reasoning and analysis to support the appraiser's value estimate;

l. It failed to comply with USPAP Standards Rule 2-2(b)(iii) because the location description was inadequate and unsupported, the neighborhood was inadequate and unsupported and the site dimensions are not provided;

m. It failed to comply with USPAP Standards Rule 2-2(b)(vi) because the information appears to be correct on the original report but Williams states the

report was updated with new value conclusions in December, 2006 but he did not change the date he signed the report'

n. It failed to comply with USPAP Standards Rule 2-2(b)(viii) because the reasoning and analysis of the date is inadequate, Williams' conclusions are unsupported and the canned statements in the addendum are vague and potentially misleading;

o. It failed to comply with the USPAP Ethics Rule because based on all the information provided and the lack of analysis of the sales contract, Williams was merely appraising the sales price; and

p. It failed to comply with the USPAP Competency Rule because Williams was not locationally competent to complete the report on the subject property nor was Williams competent to complete the approaches to value or support an opinion of value including analysis and reasoning.

19. On or about July 28, 2009, Williams completed the application for upgrade to a residential appraiser certification.

II.

CONCLUSIONS OF LAW

20. The Commission has authority to deny or refuse any certificate or license application pursuant to § 339.532.1, RSMo 2000, 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.

21. The Commission has cause to deny or refuse Williams' application for a certified residential appraiser license pursuant to § 339.532.2, RSMo 2000, 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:

- ...
- (2) Failing to meet the minimum qualifications for certification or licensure or renewal established by sections 339.500 to 339.549;
- ...
- (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;
- ...
- (14) Violation of any professional trust or confidence[.]

22. As a result of Williams' non-compliance with numerous provisions of USPAP in Appraisals A, B and C as documented in the Doering and Nunn complaints, the Commission has cause to deny or refuse Williams' application for a residential appraiser certification pursuant to § 339.532.1, RSMo, and § 339.532.2 (2), (5), (6), (7), (8) and (14), RSMo.

23. 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.

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

III.

ORDER

Based on the foregoing, Tysen Williams is granted a residential appraiser certification, which is hereby placed on **PROBATION** for a period of two (2) years from the effective date of this Order, subject to the terms and conditions set forth below.

IV.

TERMS AND CONDITIONS

During the aforementioned probation, Tysen Williams shall be entitled to present himself and serve as a certified residential appraiser subject to the following terms and conditions:

- A. During the probationary period, Williams shall not supervise any real estate appraisal, as defined by § 339.503(1), RSMo (as amended), 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, Williams shall maintain a log of all appraisal assignments completed, including appraisal values. Williams shall submit a true and accurate copy of his log to the MREAC every three (3) 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. Williams 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.
- C. During the disciplinary period, Williams shall keep the Commission informed of his current work and home telephone numbers. Williams shall notify the Commission in writing within ten days (10) of any change in this information.
- D. During the probationary period, Williams shall timely renew his 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, Williams 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, Williams shall appear in person for interviews with the Commission or its designee upon request.
- G. Williams 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 November 1, 2009.
- H. Williams 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. Williams 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. Williams shall immediately report any violation of this provision to the Commission in writing. Williams shall also immediately report any allegation that he 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. Williams 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. Williams 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 and 324, RSMo. He shall truthfully answer any inquiry regarding her license status or disciplinary history.
- K. Williams 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 Williams 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 Williams' 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, Williams changes his address from the state of Missouri, or ceases to maintain his certified residential appraiser license current or active under the provisions of Chapter 339, RSMo (as amended), 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 Williams to comply with any condition of discipline set forth herein constitutes a violation of this Order.

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 (as amended), or the regulations promulgated thereunder.

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

SO ORDERED, EFFECTIVE THIS 14th DAY OF AUGUST, 2009.

MISSOURI REAL ESTATE APPRAISERS COMMISSION

Vanessa Beauchamp
Vanessa Beauchamp, Executive Director