

**SETTLEMENT AGREEMENT**  
**BETWEEN**  
**MISSOURI REAL ESTATE APPRAISERS COMMISSION**  
**AND**  
**THOMAS R. NOONAN**

Thomas R. Noonan (Noonan) and the Missouri Real Estate Appraisers Commission (MREAC) enter into this Settlement Agreement for the purpose of resolving the question of whether Noonan's license as a real estate appraiser, license no. RA001940, will be subject to discipline. Pursuant to § 536.060, RSMo,<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. The MREAC and Noonan jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo.

Noonan 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

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

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 Noonan 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, Noonan 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.

Noonan acknowledges that he has received a copy of the documents relied upon by the MREAC in determining there was cause for discipline, along with citations to law and/or regulations the MREAC believes were violated. Noonan stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREAC that Noonan's license as a real estate appraiser, license no. RA001940, is subject to disciplinary action by the MREAC in accordance with the relevant provisions of Chapter 621, RSMo, and §§339.500 through 339.549, RSMo.

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

**Introduction**

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

2. 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:

\* \* \*

(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 ["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 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[.]

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

4. Noonan is licensed by the MREAC as a as a real estate appraiser, license no. RA001940. Such license is and was at all times relevant to this action current and active.

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.

**December 30<sup>th</sup> Whitecreek Appraisal**

6. On or about December 30, 2003, Noonan completed and signed an appraisal report for residential real estate located at 2736 Whitecreek Lane, Imperial, MO, 63052 ("the Whitecreek property"). The effective date of the appraisal report was December 30, 2003.

**This appraisal valued the Whitecreek property at \$190,000. This appraisal shall be referred to hereinafter as the “December 30<sup>th</sup> Whitecreek Appraisal Report.”**

**7. Noonan was required to develop and report the results of the December 30<sup>th</sup> Whitecreek Appraisal in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), 2003 Edition.**

**8. The December 30<sup>th</sup> Whitecreek Appraisal Report was prepared for US Bank, an Ohio corporation, and St. Louis Financial Services, a Missouri limited liability company.**

**9. In preparation of the December 30<sup>th</sup> Whitecreek Appraisal Report, Noonan made significant and substantial errors of omission and/or commission, including, but not limited to:**

- a. Not specifying which type of reporting option was used in the December 30<sup>th</sup> Whitecreek Appraisal;**
- b. Not indicating the Whitecreek property’s project type and annual homeowners fees;**
- c. Not describing the Whitecreek property’s neighborhood boundaries;**
- d. Not adequately explaining and/or describing the factors that would affect the Whitecreek property’s marketability;**
- e. Not adequately explaining and/or describing the dimensions of the Whitecreek property’s site;**

- f. Not adequately explaining and/or describing what the term “NEC” meant in reference to the Whitecreek property’s specific zoning classification and description;
- g. Not using comparables which sold in the Whitecreek property’s subdivision within 12 months prior to the effective date of value, particularly 5466 Ambrose Crossing and 2506 Valley Oaks Court;
- h. Not adequately explaining and/or describing why comparable sales that were located outside of the Whitecreek property’s subdivision were used;
- i. Using an unsupportable/inadequate adjustment of \$13 per square foot to adjust for gross living area differences for all comparable sales;
- j. Using 2413 Waterfront Drive (“2413 Waterfront”) as a comparable sale when 2413 Waterfront had four bedrooms contained 651 square feet more of gross living area than the Whitecreek property;
- k. Not adequately explaining and/or describing why 2413 Waterfront was used as a comparable sale despite having four bedrooms and containing 651 square feet more of gross living area;
- l. Not adequately explaining and/or describing why \$8,000 was the adjustment for 2308 Ambrose Court’s (“2308 Ambrose”) condition when 2308 Ambrose was used as a comparable sale;

- m. Not adequately explaining and/or describing why 2308 Ambrose's condition was "AVERAGE" when 2308 Ambrose was used as a comparable sale;
  - n. Using 5232 Seckman Springs ("5232 Seckman") as a comparable sale when 5232 Seckman was a larger home with higher quality construction features than noted in the Whitecreek property;
  - o. Not adequately explaining and/or describing why 5232 Seckman was used as a comparable sale despite the differences in quality of construction and gross living area from the Whitecreek property;
  - p. Failure to analyze prior sales of the subject property for the past three years, even though the subject's prior sale occurred May 23, 2001, less than three years prior, in violation of USPAP SR 1-5 (b);
  - q. Failure to disclose, per Supplemental Standards, the prior sale of 5232 Seckman, which sold November 7, 2001 for \$168,000.
10. The December 30<sup>th</sup> Whitecreek Appraisal Report overstates the value, is not credible, is misleading, and/or fraudulent.
11. Based on Noonan's errors and/or omissions in developing and reporting the results of the December 30<sup>th</sup> Whitecreek Appraisal, Noonan committed substantial errors of omission and/or commission that significantly affected the appraisal in violation of USPAP Standard 1 and SR 1-1(b).

12. Based on Noonan's errors and/or omissions in developing and reporting the results of the December 30<sup>th</sup> Whitecreek Appraisal, Noonan rendered appraisal services in a careless and/or negligent manner in violation of USPAP Standard 1 and SR 1-1(c).

13. By failing to prominently state which reporting option was used in the December 30<sup>th</sup> Whitecreek Appraisal, Noonan violated USPAP Standard 2, SR 2-2, and SR 2-2(b).

14. Noonan's conduct in the December 30<sup>th</sup> Whitecreek appraisal 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 license pursuant to § 339.532.2(5), RSMo.

15. Noonan's conduct in the December 30<sup>th</sup> Whitecreek appraisal 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 license pursuant to § 339.532.2(6), RSMo.

16. Noonan's conduct in the December 30<sup>th</sup> Whitecreek appraisal 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 license pursuant to § 339.532.2(8), RSMo.

17. Noonan's conduct in the December 30<sup>th</sup> Whitecreek appraisal 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 license pursuant to § 339.532.2(9), RSMo.

18. Each of Noonan's USPAP violations in the December 30<sup>th</sup> Whitecreek appraisal constitutes a violation of § 339.535, RSMo, providing cause to discipline his real estate appraiser license pursuant to § 339.532.2(7) and (10), RSMo.

19. Noonan's conduct in the December 30<sup>th</sup> Whitecreek appraisal 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 license pursuant to § 339.532.2(14), RSMo.

**November 3<sup>rd</sup> Whitecreek Appraisal**

20. On or about November 3, 2004 Noonan completed and signed an appraisal report for the Whitecreek property. The effective date of the appraisal report was November 3, 2004. This appraisal valued the property at \$190,000. This appraisal shall be referred to hereinafter as the "November 3<sup>rd</sup> Whitecreek Appraisal Report."

21. Noonan was required to develop and report the results of the November 3<sup>rd</sup> Whitecreek Appraisal in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), 2004 Edition.

22. The November 3<sup>rd</sup> Whitecreek Appraisal Report was prepared for Liberty Federal Mortgage, a Missouri corporation.

23. In preparation of the November 3<sup>rd</sup> Whitecreek Appraisal Report, Noonan made significant and substantial errors of omission and/or commission, including, but not limited to:

- a. Not specifying which type of reporting option was used in the November 3<sup>rd</sup> Whitecreek Appraisal;
- b. Not indicating the Whitecreek property's project type and annual homeowners fees;
- c. Not describing the Whitecreek property's neighborhood boundaries;
- d. Indicating that the predominant value of housing within the Whitecreek property's area was \$185,000, when the predominant value was actually significantly less;
- e. Not adequately explaining and/or describing the factors that would affect the Whitecreek property's marketability;
- f. Not adequately explaining and/or describing the dimensions of the Whitecreek property's site;
- g. Not adequately explaining and/or describing what the term "NEC" meant in reference to the Whitecreek property's specific zoning classification and description;
- h. Intentionally selecting comparable sales that were in the same price range as the December 30<sup>th</sup> Whitecreek Appraisal Report;

- i. Not using comparables sold within the Whitecreek property's subdivision within 12 months of the effective date of November 3, 2004, particularly 116 Pebble Court, 2458 Cobblestone Court, 208 Pebble Creek Court, and 2533 Valley Oaks Court;
- j. Not adequately explaining and/or describing why comparable sales that were located outside of the Whitecreek property's subdivision were used;
- k. Using 5354 Doe Run Drive ("5354 Doe Run") as a comparable sale when 5354 Doe Run was nine years old and contained .39 acres;
- l. Not adequately explaining and/or describing why 5354 Doe Run was used as a comparable sale despite being nine years old and containing .39 acres;
- m. Using an unsupported/inadequate adjustment of \$15 per square foot for 5354 Doe Run when it was used as a comparable sale;
- n. Using an unsupported/inadequate adjustment of \$2,000 for the quality of construction of 5354 Doe Run, 5337 Burgundy Drive ("5337 Burgundy"), 2605 Windmill Forest Drive ("2605 Windmill"), 5300 Burgundy Drive ("5300 Burgundy"), and 2725 Windmill Forest Drive ("2725 Windmill") when they were used as comparable sales;
- o. Using an unsupported/inadequate adjustment of \$1,000 for the age of 2605 Windmill, 5300 Burgundy, and 2725 Windmill when they were used as comparable sales;

24. The November 3<sup>rd</sup> Whitecreek Appraisal Report overstates the value, is not credible, is misleading, and/or fraudulent.

25. Based on Noonan's errors and/or omissions in developing and reporting the results of the November 3<sup>rd</sup> Whitecreek Appraisal, Noonan committed substantial errors of omission and/or commission that significantly affected the appraisal in violation of USPAP Standard 1 and SR 1-1(b).

26. Based on Noonan's errors and/or omissions in developing and reporting the results of the November 3<sup>rd</sup> Whitecreek Appraisal, Noonan rendered appraisal services in a careless and/or negligent manner in violation of USPAP Standard 1 and SR 1-1(c).

27. Based on Noonan's errors and/or omissions in developing and reporting the results of the November 3<sup>rd</sup> Whitecreek Appraisal, Noonan communicated results in a misleading and/or fraudulent manner, in violation of the USPAP Ethics Rule for Management.

28. By failing to prominently state which reporting option was used in the November 3<sup>rd</sup> Whitecreek Appraisal, Noonan violated USPAP Standard 2, SR 2-2, and SR 2-2(b).

29. Noonan's conduct in the November 3<sup>rd</sup> Whitecreek Appraisal 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 license pursuant to § 339.532.2(5), RSMo.

30. Noonan's conduct in the November 3<sup>rd</sup> Whitecreek Appraisal 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 license pursuant to § 339.532.2(6), RSMo.

31. Noonan's conduct in the November 3<sup>rd</sup> Whitecreek Appraisal 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 license pursuant to § 339.532.2(8), RSMo.

32. Noonan's conduct in the November 3<sup>rd</sup> Whitecreek Appraisal 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 license pursuant to § 339.532.2(9), RSMo.

33. Each of Noonan's USPAP violations in the November 3<sup>rd</sup> Whitecreek Appraisal constitutes a violation of § 339.535, RSMo, providing cause to discipline his real estate appraiser license pursuant to § 339.532.2(7) and (10), RSMo.

34. Noonan's conduct in the November 3<sup>rd</sup> Whitecreek Appraisal 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 license pursuant to § 339.532.2(14), RSMo.

**II.**  
**JOINTLY 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, 621.045.3, and 621.110, RSMo.

1. **Noonan's certification is on probation.** Noonan's license as a real estate appraiser, license no. RA001940, is hereby placed on PROBATION for a period of TWO (2) YEARS. The period of probation shall constitute the "disciplinary period." During the disciplinary period, Noonan shall be entitled to practice as a real estate appraiser under §§339.500 through 339.549, RSMo, provided Noonan adheres to all the terms of this Agreement.

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

A. Noonan 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, 2008. The final written report shall be submitted to the MREAC 60 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. Noonan is responsible for assuring that the reports are submitted to and received by the MREAC.

B. During the disciplinary period, Noonan 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, 2008. The last log shall be submitted to the MREAC 60 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. Noonan is responsible for assuring that the logs are submitted to and received by the MREAC. Upon MREAC request, Noonan shall submit copies of his work samples for MREAC review.

C. Within one year after the effective date of this Settlement Agreement Noonan shall submit verification to the MREAC of successful completion of the fifteen-hour approved National USPAP course, including examination. This course will not replace the 7-hour National USPAP course required by the general continuing education requirements.

D. Noonan may not apply the education required by this Settlement Agreement to satisfy the continuing education hours required for license renewal.

E. During the disciplinary period, Noonan 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, Noonan 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.

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

D. Noonan shall timely renew his license and timely pay all fees required for license renewal and comply with all other MREAC requirements necessary to maintain his license in a current and active state.

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

**F. Noonan 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.**

**G. Noonan shall appear before the MREAC or its representative for a personal interview upon the MREAC's written request.**

**H. If, at any time within the disciplinary period, Noonan 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 Noonan shall be fully restored if all requirements of law have been satisfied; provided, however, that in the event the MREAC determines that Noonan 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 Noonan'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 Noonan of §§ 339.500 through 339.549, RSMo, 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. Noonan 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 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,

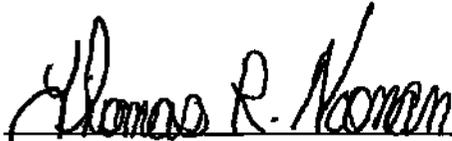
except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, discharge, or termination is sought.

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 620, RSMo.

11. Noonan, together with his partners, shareholders, officers, directors, 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, 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.

**LICENSEE**

  
Thomas R. Noonan

Date: 10-8-08

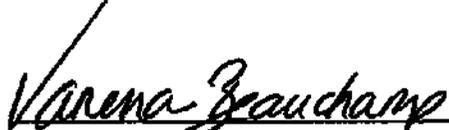
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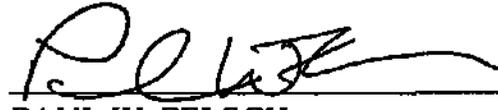
**Attorney for Licensee**

**MISSOURI REAL ESTATE  
APPRAISERS COMMISSION**

  
Vanessa Beauchamp, Executive Director

Date: 10-27-08

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**ATTORNEYS FOR MISSOURI  
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