

**BEFORE THE WEST VIRGINIA REAL ESTATE  
APPRAISER LICENSING AND CERTIFICATION BOARD**

**IN THE MATTER OF:**

**JAMES R. ALEXANDER,  
Certified Residential Appraiser License No. 0115.**

**CONSENT DECREE**

Now comes Respondent, James R. Alexander (hereinafter "Respondent"), and the West Virginia Real Estate Appraiser Licensing and Certification Board (hereinafter "Board"), by Sharron L. Knotts, its Executive Director, and by its counsel, Gregory G. Skinner, Assistant Attorney General, for the purpose of resolving Board Complaint No. 03-017, against Respondent. As reflected in this Consent Decree, the parties have reached an agreement in which Respondent hereby agrees and stipulates to the Findings of Fact and Conclusions of Law set forth in the instant Consent Decree concerning the proper disposition of this matter, and the Board, having approved such agreement, does hereby find and Order as follows:

**FINDINGS OF FACT**

1. The Board is a state entity created by W. Va. Code § 30-38-1, et seq., and is empowered to regulate, among other things, the conduct of licensed residential appraisers.
2. Respondent is a Certified Residential Appraiser licensed by the Board, holding license number 0115.
3. On or around September 19, 2002, Respondent performed an appraisal of property located at 154 Crooked Creek Road, Scott Depot, West Virginia, 25560.

4. The above-referenced appraisal was conducted in regard to an eminent domain case concerning a partial taking of land by the State of West Virginia.

5. Respondent utilized incorrect appraisal methods to determine the value of the damages and the taking of partial land related to the subject property.

6. In particular, Respondent utilized an appraisal technique known as "depth value appraisal technique."

7. Depth value appraisal techniques are inconsistent, unreliable and have not been recognized or accepted within the profession of real estate appraising for a number of years.

8. Respondent incorrectly determined the value of the property take in relation to the drainage easement taken on the subject property.

9. Respondent inadequately drafted the legal description of the subject property on the appraisal report, and failed to provide a signed certification page.

10. On or around July 28, 2003, Respondent performed an appraisal of property located at Route 34, Box 4721, Winfield, West Virginia, 25560.

11. The above-referenced appraisal was conducted in regard to an eminent domain case concerning a partial taking of land by the State of West Virginia.

12. Respondent utilized incorrect appraisal methods to determine the value of the damages and the taking of partial land related to the subject property.

13. In particular, Respondent utilized an appraisal technique known as "depth value appraisal technique."

14. Depth value appraisal techniques are inconsistent, unreliable and have not been recognized or accepted within the profession of real estate appraising for a number of years.

15. Respondent failed to adequately determine the highest and best use of the subject property.

16. The comparable properties chosen by Respondent to determine the value of the subject property were neither reasonable nor supportable.

### **CONCLUSIONS OF LAW**

1. Pursuant to Article 38 of Chapter 30 of the West Virginia Code, the Board is the State entity vested with the power to regulate real estate appraisers in the State of West Virginia.

2. West Virginia Code § 30-38-12(a)(11) provides that “[f]ailing or refusing without good cause to exercise reasonable diligence, or negligence or incompetence, in developing an appraisal, preparing an appraisal report, or communicating an appraisal,” is grounds for disciplinary action, including, revocation or suspension of license.

3. Respondent unlawfully failed, without good cause, to develop, prepare and communicate credible and accurate appraisals in relation to the above-referenced properties in violation of W. Va. Code § 30-38-12(a)(11).

4. West Virginia Code § 30-38-12(a)(7) provides that “[v]iolation of any section of this article, or any rule of the board” is grounds for disciplinary action, including, but not limited to, revocation or suspension of license.



5. West Virginia Code § 30-38-17 provides, in pertinent part, that “[e]ach real estate appraiser licensed or certified under this act shall comply with . . .” the Uniform Standards of Professional Appraisal Practice (hereinafter “USPAP”).

6. Pursuant to USPAP, Standards Rule 1-1(a), “[i]n developing a real property appraisal, an appraiser must . . . be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal.”

7. By and through the use of the depth value appraisal technique, Respondent unlawfully failed to employ real estate appraisal methods and techniques necessary to produce a credible appraisal, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 1-1(a).

8. “In developing a real property appraisal, an appraiser must . . . 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 affect the credibility of those results.” USPAP, Standards Rule 1-1(c).

9. Respondent unlawfully rendered appraisal services, as outlined above, where such services contained error affecting the integrity and credibility of said appraisals, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, USPAP Standards Rule 1-1(c).

#### **CONSENT**

Respondent, both in his individual capacity and as a certified residential real estate appraiser, by the execution hereof, agrees to the following:

1. Respondent has had the opportunity to consult with counsel and executes this Consent Decree voluntarily, freely, without compulsion or duress and mindful that it has legal consequences. No person or entity has made any promise or given any

inducement whatsoever to encourage Respondent to make this settlement other than as set forth herein. Respondent acknowledges that he is aware that he may pursue this matter through appropriate administrative and/or court proceedings, and is aware of his legal rights regarding this matter, but intelligently and voluntarily waives such rights.

2. Respondent consents to the entry of the following Order affecting his conduct as a certified general real estate appraiser.

### ORDER

On the basis of the foregoing, the Board hereby ORDERS as follows:

1. The Board hereby suspends Respondent's privileges to perform real estate appraisals in regard to eminent domain, until such time Respondent successfully completes a 30 to 45 hour course in condemnation, successfully passes a corresponding exam, and provides any and all proper documentation of the same to the Board.


2. Respondent shall pay to the Board the amount of Eight Hundred Dollars (\$800.00). Such payment by Respondent shall represent the half of the costs incurred by the Board associated with the investigation and prosecution of Complaint Number 03-017, the full costs incurred by the Board for legal services rendered by the Office of the West Virginia Attorney General, and the subsequent reimbursement to the Board thereof. Such payment shall additionally be paid to the Board in full within thirty (30) days of the date of entry of the Consent Order.

3. All matters in controversy related to the instant Consent Order, including Board Complaint Number 03-017, are hereby resolved and closed, pending full compliance with the terms mandated herein.

4. In the event Respondent violates the terms of this Consent Decree, and, subsequent to notice and hearing, the Commission so finds a violation, then, in such event,

the events giving rise to this Consent Decree shall be considered in the determination of the kind and extent of sanctions to be subsequently imposed. Such possibility of enhancement shall be effective during the pendency of the instant restrictions placed upon Respondent's license subsequent to the entry of this Order.

AGREED TO BY:

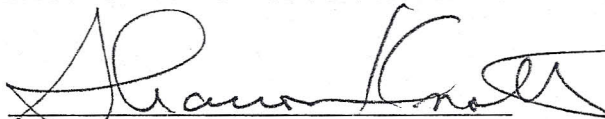
  
JAMES R. ALEXANDER, Individually

10/2/04  
DATE

ENTERED into the records of the Board this:

7th day of October, 2004.

WEST VIRGINIA REAL ESTATE APPRAISER  
LICENSING AND CERTIFICATION BOARD

By:   
SHARRON L. KNOTTS  
EXECUTIVE DIRECTOR

October 7, 2004  
DATE