

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

IN THE MATTER OF:

**RENAULDA CRISP,
Licensed Residential Appraiser No. 0661**



CONSENT DECREE

Now comes Respondent, Renaulda Crisp, and the West Virginia Real Estate Appraiser Licensing and Certification Board (hereinafter "Board"), by Sharron L. Knotts, its Executive Director, for the purpose of resolving Board Complaint Number 07-017, against Crisp. As reflected in this Consent Decree, the parties have reached an agreement in which Crisp 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. Crisp is a state licensed residential real estate appraiser licensed by the Board, holding license number 0661.
3. In January 2007, Crisp performed an appraisal of complex residential property located at 5814 East Pea Ridge (Units A, B, and C), Huntington, West Virginia 25705.
4. Crisp appraised the property as a 3 unit apartment triplex.
5. Crisp appraised the value of such property at \$162,000.

6. In January 2007, Crisp performed an appraisal of complex residential property located at 5814 East Pea Ridge (Units D, E, and F), Huntington, West Virginia 25705.

7. Crisp appraised the property as a 3 unit apartment triplex.

8. Crisp appraised the value of such property at \$161,000.

9. The two properties, however, were not a split unit; the properties, among other things, shared a common area, shared a parking area, shared other similar features, and therefore constituted a 6 unit apartment sixplex.

10. Moreover, the properties were being marketed as a single 6 unit apartment sixplex.

11. Crisp's client specifically requested Crisp to appraise the single 6 unit apartment sixplex as two separate 3 unit apartment triplexes.

12. Crisp incorrectly appraised the property as two separate and distinct properties;

13. Crisp failed to correctly appraise the property as a single 6 unit apartment sixplex.

14. As a result of incorrectly identifying and appraising the sixplex property as two triplex properties, and given that Crisp utilized triplex comparables, Crisp utilized comparable properties that were not comparable to the subject property.

15. Accordingly, the estimated market values and analyses of the above-referenced properties are unreasonable, inaccurate and/or unsupportable.

16. Had Crisp correctly appraised the properties as a single 6 unit apartment sixplex property, the property would have appraised at a value greater than \$250,000.

17. The sixplex property constituted a complex residential real estate property with greater than four residential units.

18. In the capacity of the licensed real estate appraiser, Crisp accepted a fee from her client for performing the appraisals of the properties.

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. Pursuant to West Virginia Code § 30-38-4(b), “[a] state licensed residential real estate appraiser is authorized to conduct appraisals of: (1) Complex residential real estate of one to four units having a value of less than two hundred fifty thousand dollars; (2) noncomplex residential real estate of one to four units having a value of less than one million dollars; and (3) nonresidential real estate having a value of less than one hundred thousand dollars.”

3. Pursuant to W. Va. Code §§ 30-38-12(a)(7) and 30-38-13(b), the Board may revoke, suspend, refuse to renew, or otherwise discipline the license of an appraiser, or deny an application, for any violation of any section of this article, or rule of the Board.

4. Crisp, as a licensed residential real estate appraiser, operated outside of the scope of her licensure by and through completing the appraisals of the above-referenced complex properties, where the value of such complex properties, when properly combined, exceeded \$250,000.00, and where such complex properties, when properly combined, contained greater than four residential units, in violation of W. Va. Code §§ 30-38-12(a)(7), 30-38-13(b), and 30-38-4(b).

5. Pursuant to W. Va. Code § 30-38-12(a)(9), the Board may revoke, suspend, refuse to renew, or otherwise discipline the license of an appraiser, or deny an application, for “[a]cceptance of a fee that is or was contingent upon the appraiser reporting a predetermined analysis”

6. Crisp accepted a fee to perform an appraisal, where such fee was contingent upon appraising the property as two separate and distinct properties, where a proper and independent analysis of the property would have concluded the property was a single sixplex apartment complex, in violation of W. Va. Code § 30-38-12(a)(9).

7. 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 generally accepted standards of professional appraisal practice and generally accepted ethical rules to be observed by a real estate appraiser. Generally accepted standards of professional appraisal practice are currently evidenced by the uniform standards of professional appraisal practice promulgated by the appraisal foundation.”

8. Pursuant to the Uniform Standards of Professional Appraisal Practice, Ethics Rule, Conduct, in pertinent part, “[a]n appraiser must perform assignments with impartiality, objectivity, and independence”

9. By allowing her client to dictate the terms of the appraisal, in that Crisp incorrectly appraised a single property as two separate and distinct properties, Crisp sacrificed her impartiality, objectivity and independence as an appraiser, in violation of W. Va. Code §§ 30-38-12(a)(7), -17 and USPAP Ethics Rule (Conduct).

10. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 1-1(a), from which deviation is not permitted, “[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.”

11. Crisp failed to be aware of, understand, and correctly employ appropriate methods and techniques necessary to produce a credible appraisal of the subject property, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 1-1(a).

12. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 1-1(b), from which deviation is not permitted, “[i]n developing a real property appraisal, an appraiser must . . . not commit a substantial error of omission or commission that significantly affects an appraisal.”

13. Crisp misidentified the property as two separate and distinct properties, where such misidentification led to the utilization of non-comparable properties as comparables, where such error may have significantly affected the appraisal, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, USPAP Standards Rule 1-1(b).

CONSENT

Crisp, both in her individual capacity and as a licensed residential real estate appraiser, by the execution hereof, agrees to the following:

1. Crisp 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 Crisp to make this settlement other than as set forth herein. Crisp acknowledges that she is aware that she may pursue this matter through appropriate

administrative and/or court proceedings, and is aware of her legal rights regarding this matter, but intelligently and voluntarily waives such rights.

2. Crisp consents to the entry of the following Order affecting her conduct as a licensed residential real estate appraiser.

ORDER

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

1. The real estate appraiser license of Crisp, Residential Appraiser License No. 0661, is hereby REPRIMANDED.

2. Crisp shall pay to the Board the amount of one thousand two hundred and fifty dollars (\$1,250.00). Such payment by Crisp shall represent the costs incurred by the Board associated with the investigation and prosecution of Complaint Number 07-017, and the subsequent reimbursement to the Board thereof. Crisp shall additionally pay to the State of West Virginia a fine in the amount of five hundred dollars (\$500.00). Such payments shall be paid to the Board in full within thirty (30) days of the date of entry of the instant Consent Decree.

4. Any deviation from the requirements of the instant Consent Decree, without the prior written consent of the Board, shall constitute a violation of this Order, and result in the immediate suspension of Crisp's license. The Board shall immediately notify Crisp via certified mail of the specific nature of the charges, and the suspension of Crisp's license. Crisp may request reinstatement of her license through renewal of this agreement, or execution of a new agreement, which may contain different or additional terms. The Board is not bound to comply with Crisp's request.

In the event Crisp contests any such allegations of violation of the Consent Decree, if any, which results in the suspension of Crisp's license, Crisp may request a hearing to seek reinstatement of her license. Any such hearing shall be scheduled and conducted in accordance with the provisions of West Virginia Code § 30-1-8 and § 30-38-1 *et seq.*

Further, in the discretion of the Board and in the event Crisp violates the provisions of the instant Consent Decree, the Board may schedule a hearing on its own initiative for the purpose of allowing the Board the opportunity to consider further discipline against Crisp's license.

AGREED TO BY:

Renaulda L Crisp
RENAULDA CRISP, Individually

4-30-2008
DATE

ENTERED into the records of the Board this:

16th day of May, 2008.

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

By: *Sharron L Knotts*
SHARRON L. KNOTTS
EXECUTIVE DIRECTOR

5/16/08
DATE