

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

**IN THE MATTER OF:**

**CHARLES CARNEY  
Licensed Residential Appraiser License No. LR0608**

**CONSENT DECREE**

Now comes Respondent, Charles Carney, 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 08-023, against Carney. As reflected in this Consent Decree, the parties have reached an agreement in which Carney 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. Carney is a state licensed residential real estate appraiser licensed by the Board, holding license number LR0608.
3. During all times relevant herein, Edgar Wilson was a certified general real estate appraiser, actively licensed by the Board.
4. On or around April 2, 2008, Wilson performed an appraisal of residential property located on Zenith Road, Gap Mills, West Virginia (hereinafter "Property").

5. Upon submitting the appraisal to the client, it was discovered that Wilson was not on the client's approved appraiser list, and therefore Wilson could not submit the appraisal.

6. The client, however, agreed to accept the appraisal if an approved appraiser performed an acceptable desk review of Wilson's appraisal.

7. Carney was on the client's approved list of appraisers.

8. Wilson requested that Carney perform a desk review of the appraisal.

9. Despite never having performed a desk review of an appraisal, Carney agreed to perform the review.

10. Carney failed to disclose on his work product that the appraisal was a desk review of Wilson's appraisal, and failed to disclose to the client that he did not have any experience performing desk reviews of appraisals.

11. In Carney's work product, Carney incorrectly defined the work product as a summary appraisal report, as opposed to a desk review of a summary appraisal report.

12. Although it was Carney's intent to perform a desk review of Wilson's appraisal of the Property, no where in the report does Carney provide such information.

13. Carney was not competent to perform a desk review of Wilson's appraisal report.

### **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 W. Va. Code §§ 30-38-12(a)(7), 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.

3. 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.”

4. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3, “[i]n performing an appraisal review assignment, an appraiser acting as a reviewer must develop and report a credible opinion as to the quality of another appraisers work and must clearly disclose the scope of work performed.”

5. Carney failed to develop a credible opinion as to the quality of Wilson’s work product, and failed to disclose the scope of work performed, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-1.

6. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-1(a), “[i]n developing an appraisal review, the reviewer must . . . identify the reviewers client and intended users, the intended use of the reviewers opinions and conclusions, and the purpose of the assignment.”

7. Carney failed to properly identify the reviewer’s client, the intended users of the review, the intended use of the reviewer’s opinion and conclusions, and the purpose of



the assignment, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-1(a).

8. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-1(b)(v), “[i]n developing an appraisal review, the reviewer must . . . identify the appraiser(s) who completed the work under review, unless the identity was withheld.”

9. Carney failed to identify Wilson as the appraiser who completed the work under review, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-1(b)(v).

10. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-1(c), “[i]n developing an appraisal review, the reviewer must . . . determine the scope of work necessary to produce credible assignment results in accordance with the Scope of Work Rule.”

11. Carney failed to properly determine the scope of work necessary to produce credible assignment results, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-1(c).

12. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-1(d), “[i]n developing an appraisal review, the reviewer must . . . develop an opinion as to the completeness of the material under review, given the reviewers scope of work.”

13. Carney failed to develop an opinion as to the completeness of the Wilson’s appraisal, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-1(d).

14. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-1(e), “[i]n developing an appraisal review, the reviewer must . . . develop an opinion as to the apparent adequacy and relevance of the data and the propriety of any adjustments to the data, given the reviewers scope of work.”

15. Carney failed to develop an opinion as to the adequacy and relevance of the data and the propriety of any adjustments to the data, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-1(e).

16. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-1(f), “[i]n developing an appraisal review, the reviewer must . . . develop an opinion as to the appropriateness of the appraisal methods and techniques used, given the reviewers scope of work, and develop the reasons for any disagreement.”

17. Carney failed to develop an opinion as to the appropriateness of the appraisal methods and techniques used by Wilson, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-1(f).

18. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-1(g), “[i]n developing an appraisal review, the reviewer must . . . develop an opinion as to whether the analyses, opinions, and conclusions are appropriate and reasonable, given the reviewers scope of work, and develop the reasons for any disagreement.”

19. Carney failed to develop an opinion as to whether the analyses, opinions, and conclusions of Wilson’s appraisal were appropriate and reasonable, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-1(g).

20. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-2(a), “[i]n reporting the results of an appraisal reviewer, the reviewer must: state the identity of the client, by name or type, and intended users; the intended use of the assignment results; and the purpose of the assignment.”

21. Carney failed to properly state the identity of the client and intended users; the intended use of the assignment results; and the purpose of the assignment, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-1(g).

22. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-2(c), “[i]n reporting the results of an appraisal reviewer, the reviewer must: state the scope of work used to develop the appraisal review.”

23. Carney failed to properly state the scope of work used to develop the appraisal review of Wilson’s appraisal, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-2(c).

24. Pursuant to the Uniform Standards of Professional Appraisal Practice, Standards Rule 3-2(f), “[i]n reporting the results of an appraisal reviewer, the reviewer must: include a signed certification in accordance with Standards Rule 3-3.”

25. Carney failed to include the correct certification pertaining to appraisal reviews, in accordance with Standards Rule 3-3, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Standards Rule 3-2(f).

26. Pursuant to the Uniform Standards of Profession Appraisal Practice, Competency Rule, “[p]rior to accepting an assignment or entering into an agreement to perform any assignment, an appraiser must properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently; or



alternatively, must: (1) disclose the lack of knowledge and/or experience to the client before accepting the assignment; (2) take all steps necessary or appropriate to complete the assignment competently; and (3) describe the lack of knowledge and/or experience and the steps taken to complete the assignment competently in the report.”

27. In performing the review of Wilson’s appraisal report, Carney failed to disclose the lack of knowledge and/or experience to the client before accepting the assignment; take all steps necessary or appropriate to complete the assignment competently; and failed to describe the lack of knowledge and/or experience and the steps taken to complete the assignment competently in the report, in violation of W. Va. Code §§ 30-38-12(a)(7), -17, and USPAP Competency Rule.

### **CONSENT**

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

1. Carney 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 Carney to make this settlement other than as set forth herein. Carney 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. Carney consents to the entry of the following Order affecting his 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 Carney, License No. LR0608, is hereby REPRIMANDED.

2. Carney, within one year of the date of entry of this order, shall successfully pass, complete, and provide to the Board all proper documentation reflecting the same, the following educational course: a minimum fifteen hour course, with examination, approved by the Board, relating to the uniform standards of professional appraisal practice. Such course shall be completed in addition to any continuing educational course required to obtain and/or maintain licensure, or renewal of licensure thereof.

3. Carney shall not engage in the practice of reviewing real estate appraisals in the State of West Virginia. Carney shall be prohibited from engaging in the practice of reviewing real estate appraisals until such time Carney successfully passes, completes, and provides to the Board all proper documentation reflecting the same, a minimum seven hour course, with examination, relating to appraisal review. Such course shall be completed in addition to any continuing educational course required to obtain and/or maintain licensure, or renewal of licensure thereof.

4. Carney shall pay to the Board the amount of one thousand and two hundred dollars (\$1,200.00). Such payment by Carney shall represent the costs incurred by the Board associated with the investigation and prosecution of Complaint Number 08-023, and the subsequent reimbursement to the Board thereof. Carney shall additionally pay a fine in the amount of five hundred dollars (\$500.00). Such payments shall be paid to the Board in full within ninety days of the date of entry of the instant Consent Decree.



5. 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 Carney's license. The Board shall immediately notify Carney via certified mail of the specific nature of the charges, and the suspension of Carney's license. Carney may request reinstatement of his 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 Carney's request.

In the event Carney contests any such allegations of violation of the Consent Decree, if any, which results in the suspension of Carney's license, Carney may request a hearing to seek reinstatement of his 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 Carney 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 Carney's license.

**AGREED TO BY:**

Charles D. Carney  
**CHARLES CARNEY, Individually**

3/2/2009  
**DATE**

**ENTERED into the records of the Board this:**

12th day of March, 2009.

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

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

3/12/09  
**DATE**