

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

**IN THE MATTER OF:**

**DONALD CANNON,  
Certified General Appraiser No. CG111**



**ADMINISTRATIVE PRE-CHARGE DIVERSION AGREEMENT**

Now comes Respondent, Donald Cannon, and the West Virginia Real Estate Appraiser Licensing and Certification Board ("Board"), by Sharron L. Knotts, its Executive Director, for the purpose of resolving Board Complaint Number 08-030, against Cannon. As reflected in this Administrative Pre-Charge Diversion Agreement ("Agreement"), the parties have reached an agreement in which Cannon hereby agrees and stipulates to the following terms set forth in this Agreement, as a means of deferring the filing of a formal charge against the Respondent pending compliance with the terms of this Agreement.

Cannon, both in his individual capacity and as a certified general real estate appraiser, and the Board, by the execution hereof, agree to the following:

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 certified general real estate appraisers.
2. 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.”

3. Pursuant to the Uniform Standards of Professional Appraisal Practice, 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.”

4. Pursuant to USPAP, Standards Rule 1-1(b), “[i]n developing a real property appraisal, an appraiser must . . . not commit a substantial error of omission or commission that significantly affects an appraisal.”

5. Pursuant to the USPAP, Standards Rule 1-1(c), “[i]n 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.”

6. Cannon is a state licensed certified general real estate appraiser licensed by the Board, holding license number CG111.

7. In April 2008, Cannon performed an appraisal of property located on East 13<sup>th</sup> Avenue, Ranson, Jefferson County, West Virginia.

8. In the appraisal report, Cannon erroneously: failed to deduct a \$5,000 concession for comparables 2 and 3; utilized a “weighted average” methodology of the comparables to determine the value of the subject property; and failed to deduct personal property, such as a tractor, mower, and wood stove, from the appropriate value of the respective comparable property and subject property.

9. During the Standards Committee meeting on March 17, 2009, the Standards Committee additionally expressed concern over the appraisal relating to the location of the subject property; age; condition; property value; and the summary of the sales comparison approach.

10. As a result of such alleged errors, the appraised value of the Property may not be supportable

11. Cannon 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 Cannon to make this settlement other than as set forth herein. Cannon 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. Cannon also agrees to waive any time periods or claims of statute of limitations or claim of laches by deferring the filing of formal charges at this time but consents to the filing of such charges at a later time should he fail to comply with the terms of this Agreement.

12. Cannon agrees that this diversion Agreement will begin upon execution by Cannon and the Board, and shall automatically terminate 12 months from that date ("Diversion Period").

13. During the Diversion Period Cannon shall abide by all rules and regulations of the Board and refrain from any conduct which could be considered a violation of such rules and regulations, including those rules and regulations set forth in Paragraphs 2 through 5 above.



14. Cannon shall pay to the Board the amount of one thousand dollars (\$1,000.00). Such payment by Cannon shall represent the costs incurred by the Board associated with the investigation of Complaint Number 08-030, and the subsequent reimbursement to the Board thereof. Such payment shall be paid to the Board in full within thirty (30) days of the date of execution of this Agreement.

15. Cannon, within ninety (90) days of the date of entry of this order, shall successfully pass, complete, and provide to the Board all proper documentation reflecting the same, a minimum fifteen hour course, with examination, approved by the Board, relating to the sales comparison approach. Such course shall be completed in addition to any continuing educational course required to obtain and/or maintain licensure, or renewal of licensure thereof.

16. Any breach of the terms of this Agreement shall constitute a violation of this Agreement, and result in the immediate filing of charges reflecting the allegations made in Complaint No. 08-030, and any new or additional charges of which the Board may be aware.

17. Cannon may contest any such charges pursuant to law and request a hearing if he so desires. 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.* and the West Virginia Administrative Procedures Act.

AGREED TO BY:



DONALD C. CANNON, Individually

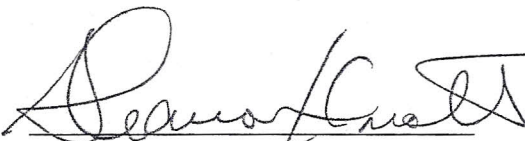


DATE

ENTERED into the records of the Board this:

31st day of August, 2009.

WEST VIRGINIA REAL ESTATE APPRAISER  
LICENSING AND CERTIFICATION BOARD

By: 

SHARRON L. KNOTTS  
EXECUTIVE DIRECTOR

8/31/09  
DATE